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THE INTERNATIONAL HERALD TRIBUNE

U.S. Gold Report Condemns Swiss

Bankers Deliberately Failed to Return Nazi Loot, It Concludes

By David E. Sanger
New York Times Service

WASHINGTON — In a searing historical indictment, a long-awaited U.S. government report concluded Wednesday that the Swiss government, aided by a banking community that had been infiltrated by Nazi sympathizers, had deliberately failed to live up to a 1946 commitment to return hundreds of millions of dollars in assets that Nazi Germany had looted from European banks and Holocaust victims.

It concluded that the Swiss bankers' "indifference to the needs of the victims of the Holocaust and their heirs persisted until the current international pressures came to bear" on the country within the past year, forcing a series of gestures from Switzerland in recent months to offer reparations that amount to a small fraction of the country's profits from the war.

The 200-page report released Wednesday, along with thousands of pages of recently declassified documents from the State Department, the Treasury and the intelligence agencies, was the most comprehensive study yet of the deceit, intransigence and political maneuvering that surrounded what has broadly come to be known as the "Nazi gold" problem.

The report, however, does not make policy recommendations, and it leaves the Clinton administration confronting a politically delicate question that echoes the question that faced President Harry Truman a half-century ago: whether Switzerland should be forced to make good on its commitments, including

Bern's reaction to the report was mixed. Page 7.

turning over assets now worth $5 billion or more. While this issue was actively discussed in President Bill Clinton's administration several months ago, some officials fear it would trigger another major breach with Switzerland and European allies. Among the other major findings of the report are these:

• A small but significant percentage of the "mon-

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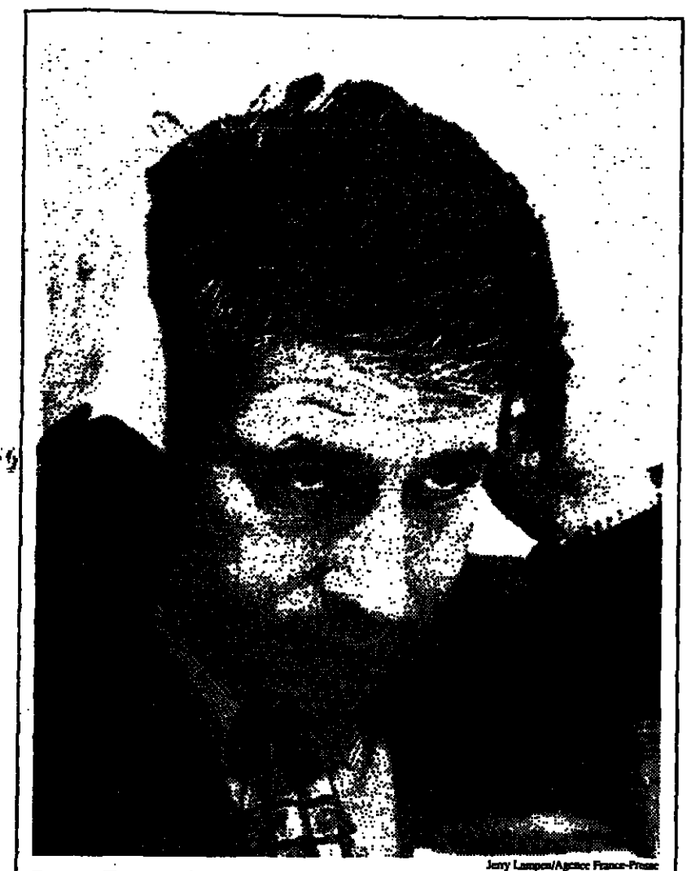
Ruben Sprich/Reuters

Foreign Minister Flavio Cotti of Switzerland commenting Wednesday on the U.S. report.



Jerry Lampen/Agence France-Presse

Dusan (Dusko) Tadic listening to the verdict Wednesday. He was found guilty of 11 counts of war crimes and crimes against humanity.

Tribunal Convicts Serb Of Bosnia War Crimes

Verdict in Hague Is First in Postwar Era

By Charles Trueheart
Washington Post Service

The UN war crimes tribunal in The Hague investigating atrocities committed in the former Yugoslavia's bitter ethnic conflict issued its first conviction Wednesday.

A Bosnian Serb tavern owner, Dusan (Dusko) Tadic, was found guilty on 11 counts of war crimes and crimes against humanity for his role in herding his Muslim neighbors and other civilians into Serbian prison camps and torturing them for what the court called their religion and their politics.

Because of insufficient evidence, he was cleared of murder charges in the deaths of 13 Muslims during the Serbian attack in 1992 on his native village of Kozarac, in the Prijedor region of northwestern Bosnia.

He was also found not guilty of the case's most sensational charge, of brutality stemming from witness accounts that he had ordered a Bosnian Muslim to bite off the testicles of a fellow prisoner, who allegedly bled to death.

His court-appointed lawyers asserted that he was a victim of mistaken identity and of a desire to make scapegoats the Serbs to burnish the image of the beleaguered tribunal.

Mr. Tadic, 41, will serve a prison sentence to be decided after appeals are exhausted. The four-year-old International War Crimes Tribunal for the former Yugoslavia is not empowered to impose the death penalty.

The UN-supported proceedings are the first international effort to judge the perpetrators of war crimes since the Nuremberg and Tokyo trials that followed World War II. The Tadic verdict was the first to follow a full-length trial and the first involving a Serb at the tribunal.

The American presiding judge, Gabrielle Kirk McDonald, said the verdict represented "the first-ever judicial condemnation of the 'ethnic-cleansing' policy" carried out by Bosnian Serb forces during the 1991-95 war in the Balkans.

She said the tribunal's "first and foremost" objective, to conduct a fair trial of the accused, had been achieved.

A South African jurist, Richard Goldstone, who was the chief prosecutor at the tribunal until last year, said Wednesday that the conclusion of the Tadic trial was "a very important step forward and something new" in criminal jurisprudence because it proved that "international tribunals can work."

Mr. Tadic's conviction after a year-

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Mobutu Leaves Zaire: Is This Departure Final?

By Howard W. French
New York Times Service

KINSHASA, Zaire — Leaving behind a capital bracing for the arrival of rebel forces who aim to topple him, President Mobutu Sese Seko flew Wednesday to Gabon on an official visit that many saw as a final departure from the nation he has ruled for nearly 32 years.

While many of Marshal Mobutu's aides insisted that the 66-year-old leader would return as early as Friday, the military situation continued to deteriorate for the president's crumbling forces.

At the same time, word began spreading through the city of the stealthy departure of numerous close associates of Marshal Mobutu who, it would appear, have concluded that the end has arrived for Africa's longest-serving dictator.

News of the flight of Marshal Mobutu's aides came as international diplomatic pressures mounted on Marshal Mobutu and his rebel foe, Laurent Kabila, head of the Alliance of Democratic Forces for the Liberation of the Congo, to arrange a peaceful transfer of power between the two men and to avoid a potentially bloody siege of this city of 5 million.

After the drive to the airport, through Kinshasa streets that were even more crowded than usual by bystanders straining for what many believed might be a last glimpse of the man who had so dominated the life of Zaire, Marshal Mobutu flew to Libreville, Gabon, aboard a jet named for Lisala, the presidential birthplace that fell to Mr. Kabila's rebels last week.

The official reason for Marshal Mobutu's trip to Gabon was to attend a summit meeting of regional French-speaking leaders to discuss the Zairian crisis.

But there was widespread speculation among both diplomats and Zairians that the real purpose of the gathering in Gabon was to gently pressure the Zairian leader to abandon power and enter a hospital.

Marshal Mobutu is suffering from advanced prostate cancer.

"You have to figure that the French are working with their friends who are all gathering in Gabon to get them to help smooth Mobutu's exit," said a European diplomat here.

In addition to the Gabonese president, Omar Bongo, at least three other

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Pentagon to Cut Back Widely to Save $15 Billion

By Bradley Graham
Washington Post Service

WASHINGTON — Defense Secretary William Cohen has decided to reduce planned purchases of jet fighters, shrink the navy's fleet, cut up to 60,000 active-duty troops and seek to close more U.S. military bases, according to Pentagon officials.

The moves follow a major Pentagon review of U.S. defense programs.

The cuts are part of a plan to generate about $15 billion in annual savings into the next decade to help pay for new equipment and weapons systems, following years of steady decline in the Defense Department's procurement account.

One program to receive a boost of up to $2 billion, officials said Tuesday, is the administration's plan to prepare for possible deployment in 2003 of a national protective shield against ballistic missile attack.

While Pentagon officials had insisted for several years that they could meet their modernization plans through savings from base closings and more efficient purchasing practices, it was increasingly clear that the operational costs of missions in such places as Bosnia and Haiti, and the expenses of maintaining a still-sizable force despite the end of the Cold War, were sapping procurement funds.

"No one expects overall defense spending to increase much above the current annual level of about $250 billion, so we have to reallocate," a senior Pentagon official said. "We're trying to reallocate without cutting teeth but by going after tail."

The personnel reductions are modest compared with the loss of more than 600,000 troops, down to 1.45 million, since the Berlin Wall crumbled in 1989.

Some defense experts urged Mr. Cohen to take a bolder approach and make deeper cuts to finance an accelerated integration of computer-age technology into weapons systems and military command and control networks that would better prepare the U.S. armed forces for new types of 21st century warfare.

But the secretary, who took office in January, has decided on a less radical course. He has reaffirmed the need to maintain a military large enough to fight two regional wars in close succession and meet many other operational requirements predicted by Pentagon strategists, particularly in peacekeeping and other noncombat missions.

Neither the army, which will give up about 15,000 active-duty soldiers, nor the Marine Corps, which will lose about 2,000 members, expects to cut any of its divisions or other combat units in the process.

But the air force's reduction of up to 25,000 will result in the elimination of one of 13 wings and the navy's loss of 18,000 will come largely from the elimination of 15 surface combat ships and 2

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J. Scott Applewhite/The Associated Press

Secretary of Defense William Cohen addressing national-security business leaders at a hotel in Washington. He did not discuss any cutbacks.

Hidajet Dalic/The Associated Press

'STAY ON THE ROAD' — A Sarajevan telling children Wednesday to stay clear of land mines. Bosnia has 3 million of them. Britain, France and Germany agreed Wednesday to seek a ban on mines. Page 5.

AGENDA

France Derails EU Tax on Wheat Exports

PARIS (Reuters) — The European Union suffered an embarrassing setback on a key trade policy Wednesday when a plan to tax wheat exports was derailed by France, EU officials said.

The EU Commission in Brussels suspended the plan, which was aimed at ensuring supply in Europe, after it was vetoed by the EU commissioner for research policy, Edith Cresson of France. The move was linked by grain traders to France's election campaign.

The $20 a ton tax was designed to keep wheat on the European market, where the EU says prices are too high.

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The IHT on-line http://www.iht.com

The Dollar

New York	Wednesday @ 4 P.M.	previous close
DM	1.719	1.7233
Pound	1.6137	1.6333
Yen	125.015	125.40
FF	5.7977	5.8155

The Dow

change	Wednesday close	previous close
-140.47	7084.85	7225.32

S&P 500

change	Wednesday @ 4 P.M.	previous close
-12.14	815.62	827.76

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The Right Begins to Worry in France

U.S. City Pioneers a Shift Off Welfare to Workfare

By Jason DeParle
New York Times Service

MILWAUKEE — The welfare rolls are crashing through the floor here.

Caseloads have shrunk nearly 25 percent in the last year alone, and each month 1,800 more people leave the system. No major city has ever seen such startling declines, though many are now looking here with an envious eye and the hope of imitation.

But as Governor Tommy Thompson of Wisconsin boasts of "our amazing success," the question is what has happened to the throngs of low-income women and children leaving the rolls.

Advocates for the poor, here and across the country, are quick to note that homelessness has been rising, and shelters overflowing, since the state's strict new work rules took hold. But those falling into such utter destitution represent only a small percentage of the 10,000 families leaving the rolls.

Many more seem to be working, in jobs they recently landed or secretly held in the past. Others, weary of the system's new hassles, have moved in with friends or family, or left the state.

Critics argue that the new system focuses more on penalizing the poor than on helping them. And state officials acknowledge that foul-ups in the complex new system have caused thousands of families to lose benefits temporarily, often through no fault of their own.

The data are sketchy at best, and no one knows how many of Milwaukee's welfare poor have moved toward economic betterment and how many have suffered an erosion in living standards that were

See WELFARE, Page 7

Newsstand Prices

Bahrain	1.000 Din	Malta	55 c.
Cyprus	C. £ 1.00	Nigeria	125,00 Naira
Denmark	14.00 D.Kr.	Oman	1.250 Rials
Finland	12.00 F.M.	Qatar	10.00 Rials
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10.00 R
Egypt	£E 5.50	S. Africa	R12 + VAT
Jordan	1.250 JD	U.A.E.	10.00 Dirh
Kenya	K. SH. 160	U.S. Mil. (Eur.)	$ 1.20
Kuwait	700 Fils	Zimbabwe	Zim.$30.00

Hong Kong's Legal System: Will China Sustain or Overrule It?

By Edward A. Gargan
New York Times Service

HONG KONG — When protesters lay in the street earlier this year to oppose China's plans for Hong Kong and were arrested for doing so, they knew they would be judged under a centuries-old legal system, the common law tradition of the British colonial government.

And when Chanway Investment Co. went to court to contest a tax ruling last month, it knew the merits of the case would be decided under that same tradition.

In both instances, it was this faith in the rule of law — the heritage of written law and impartial justice that Britain bequeathed to Hong Kong — that provided confidence that the judgments would not be politically motivated or corrupt.

Now, more is involved than faith in simple justice. For many foreign investors, concerned about even the short-term business environment here, it is Beijing's cavalier attitude toward contractual agreements that has stirred worries about whether Hong Kong's legal system will survive China's imminent takeover.

Last year, despite a long-term contract, a McDonald's restaurant was summarily ousted from its premises near the Forbidden City in Beijing. In Hong Kong, by contrast, the predictability of conducting business under a rule of law and the sanctity of contracts has contributed significantly to the territory's dynamic economy.

For Hong Kong, the critical issue has become whether the system of law, guarantees and autonomy of the judicial branch can survive China's effort to stamp its sovereignty on the territory.

Or will China's notion of law, where personal whim and political need play a strong role, overwhelm Hong Kong, as many fear?

Optimists here hope that Hong Kong's rule of law could become a model for China, rather than the reverse. Just this year, China's legislature passed a major revision of its criminal law, introducing offenses like money laundering and insider trading.

But skeptics like Robin Munro, Hong Kong director of Human Rights Watch Asia, doubt that Beijing would surrender any political control, and the legal and business communities here remain deeply wary of the changes to come. "There are

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AT&T

A Hard-Liner's Evolution / **Scored by the Holocaust**

The Secret Life of an Israeli Envoy

By Barton Gellman
Washington Post Service

JERUSALEM — More even than most Israelis of his generation, Eliahu Ben-Elissar, the Jewish state's hard-line ambassador to Washington, has known the power of secrets.

As a young man in Paris in the 1950s, he helped finance his studies at the Sorbonne with a night job as a guard at Israel's embassy. By the time he left the French capital, according to Israelis who know him here, he had served his first tour as an agent of the Mossad intelligence service.

He spent more than a decade working for the Mossad, some of it in dangerous assignments in the Arab world, before moving to Geneva for a Ph.D. in history and then beginning a political and diplomatic career.

He was a member of Israel's negotiating team with Egypt in 1977 and became its first ambassador there in 1980. In July, Prime Minister Benjamin Netanyahu made him the ambassador to the United States.

Mr. Ben-Elissar's initiation into a secret life began in childhood. He owed his survival in Nazi-conquered Poland during World War II to a near-stranger's life-risking act of deception.

His father, the leader of a small town's Jewish community, begged a traveling acquaintance to smuggle the boy to Palestine. The traveler, a woman whose son had died at the hands of the Gestapo, took Mr. Ben-Elissar — then known as Gottlieb — past Nazi border guards on her British passport by pretending he was her son.

Mr. Ben-Elissar arrived here as the war still raged, before the declaration of a Jewish state. He spoke no Hebrew, and would learn when the war was over that both his parents were dead.

At the Bilu School on Tel Aviv's Rothschild Boulevard, the principal walked into a third-grade class one day and asked if anyone there spoke Yiddish, a language Mr. Ben-Elissar had learned at home. Zeev Schiff, now Israel's leading military writer, piped up that he could manage. The principal sat the two boys at adjacent desks and put Mr. Schiff in charge of Mr. Ben-Elissar.

"He was a lonely man for most of his life, and the Holocaust was a major factor in his thinking, in his writing and in his ideology," said Mr. Schiff, who remains Mr. Ben-Elissar's friend.

Mr. Ben-Elissar returned to graduate school after the 1967 Middle East War, following Mossad assignments in Europe, Ethiopia and at headquarters in Tel Aviv. He wrote a dissertation in French, and then a book, on the Jewish question in the diplomacy of Nazi Germany from 1933 to 1939.

Like other Holocaust survivors, Mr. Ben-Elissar viewed Israel's struggle against Palestinian nationalism in the terms of his youth, comparing the Palestine Liberation Organization to the Nazis. He joined the battle, as he could not as a child, in his years of intelligence work.

"He was active in many operations against the Palestinians," said Akiva Eldar, the Washington correspondent for the Israeli newspaper Ha'aretz. "This is basically what the Mossad did at that time."

Today Mr. Ben-Elissar is counted in the hardest-core ideological wing of Mr. Netanyahu's Likud Party, well to the right of the prime minister and unreconciled personally to the peace accords signed with Yasser Arafat and the Palestinians since 1993.

SOON after the first accord was struck, Mr. Ben-Elissar accused the prime minister at the time, Yitzhak Rabin, of "running amok." He urged Likud to boycott the parliamentary debate because even discussing the pact, he said, lent it legitimacy. In his current job he has prided himself, according to those who know him in Washington, on avoiding a handshake with Mr. Arafat despite several close encounters.

Mr. Ben-Elissar is not close to Mr. Netanyahu, having been chosen in a compromise with Mr. Netanyahu's longtime rival, Foreign Minister David Levy. He has not attended any of Mr. Netanyahu's five meetings with President Bill Clinton, because Mr. Netanyahu does not follow the tradition of inviting his ambassador as note-taker. He brings his personal adviser, Dore Gold, instead.

His relationship with the Clinton administration has also been strained.

In December, after Mr. Clinton called Jewish settlements in the West Bank an obstacle to peace, Mr. Ben-Elissar took the unusual step of criticizing the president directly.

"I suspect Arafat will draw encouragement from Clinton's remarks, and he is liable to harden his position even more at the negotiations," he said in an interview with Ha'aretz.

The same month, he lamented to another newspaper that "the Americans don't buy our explanations" of settlement policy.

More recently, Mr. Ben-Elissar picked a fight with the State Department spokesman, Nicholas Burns. He said to Israeli reporters that more-senior American officials had told him that Mr. Burns exceeded his authority by casting doubt on Israeli claims that Mr. Arafat had given a "green light" to terrorism. He hinted that Mr. Burns and other U.S. officials had helped bring about a Tel Aviv bombing by taking the Palestinian leader off the hook.

Mike Theiler/Reuters

Mr. Ben-Elissar, left, with Mr. Netanyahu. The envoy 'was active in many operations against the Palestinians.'

U.S. Airlines Start Test of Plan to Foil Terrorists

Reuters

WASHINGTON — U.S. airlines have started a major test of the practice of matching passengers with their luggage as a way of preventing terrorists from placing a bomb on a plane in an unaccompanied bag.

The Air Transport Association, which represents all major American carriers, said the trial followed recommendations by a White House commission formed after the explosion last summer of TWA Flight 800 off New York.

Terrorism was at first thought to be the cause of the explosion that killed all 230 people on board the Boeing 747, although officials now say the evidence tends to indicate a mechanical failure.

John Meenan, the Air Transport Association's vice president for policy and planning, said the test period would last about two weeks.

Mr. Meenan acknowledged that flights could be delayed if a passenger checked a bag but then for any reason did not board the flight.

In the past, he said, that would not have caused a problem.

"But in the trial, if they find you are not there, they must find your bag in the belly of the plane," Mr. Meenan said. "The delay can be very significant."

If a plane were held up for an hour at a busy airport, he said, that would prevent another aircraft from landing and taking its place at the gate, and probably would cause other passengers to miss connections.

"You have cascading effects," he said.

Rebecca Trexler, a spokeswoman for the aviation agency, said she hoped there would not be many delays. She said that one purpose of the test was to see the effect of bag-matching on airline schedules.

Ms. Trexler added that airlines had the option of suspending the practice during the test period if delays amounted to 20 minutes or longer, but she said that by the end of Tuesday she had received no reports of delays of that length.

Bags already are matched on overseas flights, Mr. Meenan said, but those flights are not scheduled as closely together as domestic flights, on which every departure and arrival is timed to get full use out of every plane, making any delay costly to the carrier.

He said, however, that he did not believe bag matching was the answer to security problems, because it would cause too many serious flight delays.

He said the answer might be a combination of bag matching and profiling passengers to try to screen for further investigation any passenger who seemed to be a potential risk. That measure also was recommended by the special commission.

U.S. Probes Whether an Official Has Passed Secrets to Israel

By Nora Boustany and Brian Duffy
Washington Post Service

WASHINGTON — The FBI is investigating whether a senior U.S. official has been passing highly sensitive information to the Israeli government, according to officials with direct knowledge of the inquiry.

The investigation was opened in January, U.S. government officials said, after the National Security Agency intercepted a secret communication between a senior Israeli intelligence officer in Washington and a superior in Tel Aviv that referred to someone codenamed "Mega," and an attempt to obtain a sensitive American document.

The officials said the context of the conversation led them to believe that Mega could be someone in the government who has provided information to the Israelis in the past.

The officials, who spoke on condition of anonymity, said the investigation was focusing on U.S. officials who would have had access to the document in question: a secret letter of assurances that the previous secretary of state, Warren Christopher, had given to Yasser Arafat, the Palestinian leader, after successful negotiations to withdraw Israeli troops from most of the West Bank city of Hebron.

In the intercepted conversation, according to two U.S. officials, the Israeli intelligence officer informed his superior in Tel Aviv that the Israeli ambassador to Washington, Eliahu Ben-Elissar, had asked him whether he could obtain a copy of the letter to Mr. Arafat.

According to an official who saw a copy of the National Security Agency transcript of the conversation, the intelligence officer, speaking in Hebrew, said: "The ambassador wants me to go to Mega to get a copy of this letter." The official said the supervisor in Tel Aviv rejected the request, saying, "This is not something we use Mega for."

Asked about the investigation, a senior official of the National Security Council declined to comment. The White House spokesman, Michael McCurry, who was traveling with President Bill Clinton in Mexico, also would not comment.

Mr. Ben-Elissar said emphatically Monday night that his government had not engaged in any improper activity in Washington, denying that he had made such a request or that Israel has a spy inside the U.S. government. "I deny it as strongly as one can deny anything," Mr. Ben-Elissar said in a telephone interview. "I simply think that this allegation is ridiculous."

He added: "Of course, I cannot guarantee for everybody, but if anybody in this embassy had this conversation or such a thought, he can be considered an utter fool, a fool."

Mr. Netanyahu's office in Jerusalem issued a statement Monday night that said: "The reported story is absolutely baseless."

U.S. intelligence officials said that National Security Agency transcripts involving possible counterintelligence matters generally are distributed to officials at the CIA's counterintelligence center; the FBI's Division 5, which conducts foreign counterintelligence investigations, and the State Department's bureaus of diplomatic security and intelligence and research. The intelligence officials said the agency had done nothing improper.

A senior U.S. official who said he had been briefed on the matter, said the upper echelons of the FBI were dismayed that the information had been disseminated so widely.

Because of the sensitive nature of the transcript, the official who saw it said, it was recalled by the National Security Agency about 12 hours after it was distributed. "It was taken off the street," he said.

The official also said that the transcript of the conversation between the two Mossad officers was translated from Hebrew to English "awkwardly."

The Hebron agreement, signed by Mr. Netanyahu and Mr. Arafat at a border post between Israel and the Gaza Strip, marked a turning point in the tortuous efforts to get Israel's governing Likud Party to transfer land and limited governing power to Mr. Arafat's Palestinian National Authority. The agreement, which was bitterly opposed by some in Mr. Netanyahu's cabinet, required Israel to turn over four-fifths of Hebron immediately and substantial chunks of the West Bank by the middle of next year.

A day after the accord was signed, on Jan. 16, Mr. Christopher gave separate "side letters" of assurance to Mr. Arafat and Mr. Netanyahu. Israeli officials disclosed the contents of the letter to Mr. Netanyahu, but the contents of Mr. Arafat's have not been revealed.

An official with knowledge of the FBI investigation into the identity of Mega cautioned that much remained unknown. But the official said that if it turned out that a senior U.S. official was passing sensitive information to the Israelis, it could prove more serious than the espionage case of Jonathan Jay Pollard, a former U.S. Navy analyst who was convicted in 1986 of selling military intelligence documents to Israel.

Israel Doubts U.S. Can Resolve Crisis

Reuters

JERUSALEM — Israel said it did not expect "dramatic developments" in its deadlocked peace negotiations with the Palestinians from the arrival on Wednesday of Dennis Ross, the U.S. Middle East peace envoy.

The visit of the American envoy comes on the heels of a meeting Tuesday between President Ezer Weizman of Israel and Yasser Arafat, the Palestinian leader. Their talks at the Israel-Gaza border apparently did not change the demands of the two sides for ending the seven-week crisis.

"There seems to be movement whenever Dennis Ross is around and, therefore, it would be wrong to expect dramatic developments, but it would be at least as wrong to be pessimistic," said David Bar-Ilan, Prime Minister Benjamin Netanyahu's media adviser.

Mr. Ross, in his second shuttle mission within a month, was scheduled to meet Mr. Netanyahu on Wednesday night to try to revive the Israeli-Palestinian peace process.

The meeting between Mr. Weizman and Mr. Arafat was only the second high-level Israeli-PLO contact since talks deadlocked in March, when Israel began a new Jewish settlement in Arab East Jerusalem.

Mr. Weizman, whose post is largely ceremonial, said after the meeting that Mr. Arafat had agreed to resume security coordination between the sides.

"This point was agreed upon," Mr. Weizman said. "I hope that it will begin operating within a few days."

The Palestinians were more circumspect. Mr. Arafat said only that he and Mr. Weizman had "reiterated the importance of preserving security for both of our peoples." Yasser Abed Rabbo, a senior PLO negotiator, said that none of the basic issues were resolved during the meeting. He added that "resumption of negotiations will not take place before the full cessation of settlement activities."

Asked about Palestinian demands for a halt to Jewish settlement activities on Arab land occupied in 1967, Mr. Bar-Ilan said, "We obviously are not going to stop building in the settlements any more than the Palestinians are going to stop building in their towns."

On Wednesday, Jewish settlers rebuilt a shack demolished a day earlier by Israeli police near the West Bank settlement of Yitzhar.

The police had forcibly removed dozens of settlers from the shack. Several children were slightly injured in the incident, and 18 settlers were arrested

TRAVEL UPDATE

Accord at Italian Rail

ROME (AP) — A preliminary agreement for a new contract for 125,000 railroad workers was reached Wednesday, but the strikes that have hampered rail travel in Italy for the last few months may not be over.

COMU, an independent union including train engineers, said that it did not sign any agreement and that a strike remained scheduled for May 19.

Union leaders said that the accord included pay increases, and that the railroad promised to maintain current employee levels. The agreement may be finalized within a month.

Progress in Air Safety

WASHINGTON (NYT) — A year after a fire in the cargo hold of a ValuJet Airlines DC-9 caused the plane to crash into the Florida Everglades, the Federal Aviation Administration is still months away from finishing a draft rule that would require smoke detectors and fire suppression systems in the cargo holds of passenger planes, according to the agency.

But the agency said Tuesday that it had made major progress in the last year in improving safety, including adding inspectors to look for hazardous materials like the oxygen generators that caused the ValuJet fire.

Nigeria Airport Work

ABUJA, Nigeria (Reuters) — Nigeria, hit by a series of air disasters, said Wednesday it had awarded a $23 million contract to the French group Alcatel Alsthom to install modern landing systems at its 19 airports.

"The contract is part of our efforts to make our airspace safer," Aviation Minister Ita Udo-Imeh said.

"We have also awarded a contract for the survey of our entire airspace for radar coverage, which again is to ensure safety of our airspace," he said.

Nigeria has sustained a series of air disasters in recent years, the worst being the crash of a passenger jet into a lagoon near Lagos in November that killed all 143 people on board.

The shrine of Fatima in central Portugal, which became a center of pilgrimage after reported apparitions of the Virgin Mary in 1917, will soon be enlarged to accommodate 10,000 pilgrims, religious officials said. *(AFP)*

Which companies did Ahold take over last year?

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The Netherlander
ROCK-SOLID AND UNIQUE

Lenin Left Out As Goose Step Regains Favor

Reuters

MOSCOW — Goose-stepping soldiers will again guard the tomb of the unknown soldier here, but the Kremlin made it clear Wednesday that the honor guard would not return to Lenin's tomb.

"The president has made a decision in principle to restore the honor guards' Post No. 1," said the Kremlin spokesman, Sergei Yastrzhembsky. "It will now be at the tomb of the unknown soldier."

Boris Yeltsin removed the honor guards from both sites after he took power, infuriating Communists.

Lenin's tomb — Post No. 1 — had been the most prestigious place for the guards to serve. Their slow march from the Kremlin gates to the doors of the mausoleum was timed to the second. The guard changed as the clock on Spassky Gate chimed the quarter-hour. Tourists could watch, but photography was banned.

WEATHER

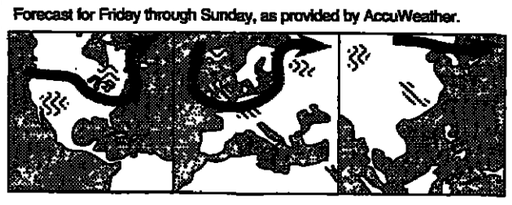
Europe

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Algarve	18/64	9/48	pc	18/64	11/52	pc
Amsterdam	11/52	8/46	r	11/52	6/43	pc
Ankara	24/75	6/46	pc	26/79	9/48	pc
Athens	25/77	15/59	s	24/75	14/57	s
Barcelona	14/57	9/48	pc	20/68	12/53	pc
Belgrade	24/75	7/44	r	21/70	7/44	pc
Berlin	9/48	3/37	r	15/61	6/43	pc
Brussels	10/50	8/46	r	10/50	6/43	r
Budapest	17/62	9/48	t	17/62	8/46	pc
Copenhagen	9/48	5/41	sh	13/55	4/39	c
Costa Del Sol	19/66	9/48	s	21/70	12/53	pc
Dublin	11/52	5/41	r	11/52	5/41	r
Edinburgh	9/48	5/41	r	9/48	3/37	r
Florence	18/64	6/43	pc	19/66	9/48	pc
Frankfurt	11/52	4/39	r	17/62	4/39	pc
Geneva	9/48	7/44	sh	14/57	4/39	sh
Helsinki	12/53	2/35	pc	16/61	9/48	sh
Istanbul	26/79	15/59	pc	26/79	13/55	s
Kiev	24/75	15/59	pc	23/73	9/48	r
Las Palmas	23/73	18/64	pc	23/73	18/64	s
Lisbon	19/61	9/48	pc	17/62	12/53	pc
London	12/53	8/43	t	12/53	7/44	r
Madrid	14/57	6/43	pc	19/66	9/48	c
Mallorca	13/55	9/48	pc	18/64	13/55	pc
Milan	19/61	6/43	pc	18/64	8/46	t
Moscow	17/62	9/48	r	19/66	12/53	pc
Munich	11/52	0/32	sh	15/59	3/37	r
Nice	15/59	9/48	pc	17/62	11/52	c
Oslo	10/50	4/39	pc	9/48	8/46	r
Paris	9/48	8/46	r	11/52	8/43	sh
Prague	13/55	1/34	c	14/57	4/39	c
Reykjavik	7/44	2/35	pc	5/41	3/37	sn
Riga	13/55	8/46	pc	17/62	8/43	r
Rome	14/57	6/43	sh	17/62	8/46	pc
St. Petersburg	12/53	6/43	sh	17/62	12/53	pc
Stockholm	9/48	2/35	pc	9/48	5/41	r
Strasbourg	12/53	7/44	pc	13/55	6/43	r
Tallinn	13/53	3/37	pc	17/62	11/52	sh
Tbilisi	23/73	12/53	pc	24/75	12/53	sh
Venice	16/61	6/43	pc	16/61	8/46	r
Vienna	17/62	5/41	c	18/64	7/44	pc
Warsaw	17/62	13/55	r	14/57	6/43	pc
Zurich	9/48	3/37	c	12/53	4/39	r

Middle East

Abu Dhabi	29/84	17/62	s	31/88	15/59	s
Beirut	23/73	15/61	s	25/77	17/62	s
Cairo	32/89	14/57	s	35/95	16/61	s
Damascus	28/82	10/50	s	31/88	12/53	s
Jerusalem	26/79	10/50	s	28/82	12/53	s
Kuwait	39/102	15/59	s	42/107	17/62	s
Riyadh	31/88	16/61	pc	34/93	18/64	s

Forecast for Friday through Sunday, as provided by AccuWeather.



Jetstream — Unseasonably Cold — Unseasonably Mild — Heavy Rain — Heavy Snow

North America
Gusty thunderstorms are likely in New York and Philadelphia Friday; windy and cool Saturday, but sunny and nice Sunday. Thunderstorms will sweep out of the northern Rockies Friday and across the northern Plains Saturday and Sunday. Sunny, hot and dry in the Southwest.

Europe
Windy and cool across England, northern France and the Netherlands Friday through Sunday; London and Paris will have a shower, but central and northern England will have steadier rains. Seasonable with some sunshine in Italy, but windy and rainy in the central Alps.

Asia
Hot and dry across most of India; a few showers and thunderstorms in the south. Showers are likely in Tokyo Friday, then partly sunny and seasonable through Sunday. Mostly sunny, warm and dry in Beijing, but an area of rain will soak parts of east-central China.

North America

	Today High C/F	Today Low C/F	Tomorrow High C/F	Tomorrow Low C/F
Anchorage	12/53	4/39	sh	13/55	4/39	pc
Atlanta	26/79	16/61	sh	23/73	11/52	pc
Boston	14/57	6/46	s	16/61	8/46	sh
Chicago	20/68	5/41	pc	13/55	2/36	pc
Dallas	24/75	14/57	t	24/75	13/55	pc
Denver	12/53	5/41	c	22/71	7/44	pc
Detroit	20/68	8/46	r	13/55	3/37	pc
Honolulu	27/80	18/64	pc	28/82	20/68	pc
Houston	28/84	17/62	pc	28/84	14/57	c
Los Angeles	23/84	13/55	s	26/79	14/57	pc
Miami	29/84	22/71	pc	29/84	21/70	pc
Minneapolis	13/55	-1/31	sh	14/57	3/37	pc
Montreal	9/48	5/41	pc	14/57	1/34	r
Nassau	28/82	20/68	pc	29/82	21/70	pc
New York	18/64	11/52	s	20/68	10/50	sh
Orlando	31/88	19/66	s	29/84	17/62	pc
Phoenix	38/100	21/70	s	38/97	21/70	s
San Fran.	22/71	12/53	s	22/71	12/53	pc
Seattle	21/70	9/48	s	20/68	8/46	pc
Toronto	10/50	4/39	sh	11/52	-4/25	pc
Vancouver	20/68	8/46	s	16/61	6/43	pc
Washington	20/68	13/55	sh	21/70	8/46	sh

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hce, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

Asia

	Today High C/F	Today Low C/F	Tomorrow High C/F	Tomorrow Low C/F
Almaty	14/57	5/41	sh	21/70	9/48	pc
Bali	33/91	23/73	pc	32/89	23/71	pc
Bangkok	33/91	25/77	pc	33/91	24/75	r
Beijing	28/82	14/57	s	31/88	17/62	s
Bombay	32/89	23/73	pc	31/88	23/73	pc
Calcutta	35/95	22/71	s	35/97	23/73	s
Chiang Mai	34/93	24/75	pc	33/91	23/73	r
Colombo	31/88	24/75	pc	30/86	24/75	pc
Hanoi	31/88	24/75	sh	29/84	23/73	s
Ho Chi Minh	33/91	24/75	pc	33/91	24/75	pc
Hong Kong	28/82	23/73	sn	27/80	22/71	c
Islamabad	32/89	15/59	r	34/93	17/62	s
Jakarta	31/88	24/75	pc	31/88	24/75	pc
Karachi	36/97	22/71	s	36/97	22/71	s
K. Lumpur	33/91	23/73	pc	32/89	23/73	pc
K. Kinabalu	31/88	21/70	pc	31/88	22/71	pc
Manila	33/91	23/73	pc	32/89	23/71	pc
New Delhi	39/102	23/73	pc	39/102	22/71	s
Phnom Penh	33/91	23/73	sh	33/91	24/75	c
Phuket	33/91	25/77	pc	33/91	24/75	r
Rangoon	33/91	28/77	pc	33/91	25/77	r
Seoul	17/62	6/43	pc	22/71	9/48	s
Shanghai	20/68	9/48	pc	21/70	12/53	s
Singapore	32/89	22/71	pc	32/89	23/71	pc
Taipei	28/82	21/70	r	24/75	21/70	sh
Tokyo	20/70	18/64	sh	18/64	12/53	pc
Vientiane	29/84	24/75	sh	29/84	23/73	c

Africa

Algiers	16/61	4/39	pc	22/71	10/50	s
Cape Town	24/75	12/53	s	23/73	11/52	s
Casablanca	18/64	11/52	pc	19/66	13/55	pc
Harare	31/88	11/52	s	32/89	12/53	s
Lagos	31/88	24/75	pc	31/88	23/73	pc
Nairobi	27/80	13/55	pc	27/80	14/57	pc
Tunis	19/66	6/43	pc	20/68	10/50	s

Latin America

Buenos Aires	24/75	14/57	pc	23/73	14/57	pc
Caracas	30/86	24/75	pc	30/86	24/75	pc
Lima	25/77	18/64	pc	24/75	18/64	pc
Mexico City	26/79	11/52	pc	25/77	11/52	pc
Rio deJaneiro	22/71	16/61	pc	23/73	18/64	pc
Santiago	25/78	8/46	s	23/73	8/46	pc

Oceania

Auckland	17/62	11/52	s	17/62	11/52	pc
Sydney	17/62	9/48	pc	17/62	9/48	pc

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THE AMERICAS

Camelot's Shield Deserts Joe Kennedy

By Elizabeth Mehren
Los Angeles Times Service

BOSTON — There are the immutable assumptions of life in Massachusetts: Snow will fall, the Red Sox will lose and the Kennedys will win.

But last week, as Representative Joseph Kennedy 2d prepared to become the first member of his family to lay *claim to Massachusetts's gold-domed* statehouse, the last part of that axiom seemed in jeopardy.

The Kennedys have withstood crises that would have demolished lesser dynasties. The family has been a force in Massachusetts for almost a century, and has dominated the political landscape since 1946, when John Kennedy first became a congressman.

Then, quite by coincidence, young Joe, who inherited the Brighton congressional seat of the former House speaker Thomas O'Neill, was hit from two sides by a dispute involving his former wife and a scandal surrounding his closest brother. Just as the 44-year-old, six-term congressman was readying what looked like a shoo-in race for governor next year, sympathy over Sheila Rauch Kennedy's challenge to the congressman's effort to annul their 12-year marriage caused Mr. Kennedy's popularity to plummet, particularly among women.

And when tabloid journalists from as far as Australia jumped on an article in the Boston Globe that Mr. Kennedy's brother, 39-year-old Michael Kennedy, conducted a long affair with an underage baby sitter, the family's fabled political invincibility was suddenly in doubt.

"Until the last week, everyone I know was saying Joe Kennedy could just walk right into the governor's office," said Samantha Overton, president of the Massachusetts Women's Political Caucus. "But this is kind of a one-two punch all at once. I don't know if he can get beyond it."

Before the scandals, a poll by the Boston Globe showed the congressman enjoying a 60 percent favorable rating, and 25 percent unfavorable. Last week, the poll put his favorable rating at 43 percent against 39 percent unfavorable.

And Mr. Kennedy has no road map to guide him out of the crisis. If he lashes *out at his former wife, women who vote* are quite likely to retreat in even greater numbers. If he acknowledges his brother's alleged transgressions, voters will surely question how much he knew.

"There are little stops along the way and this one might not be such a little one for everybody. But you know, I'm proud of my family," Joe Kennedy said soon after his brother and former business partner was reported to have had a five-year relationship with his family's baby sitter, beginning when she was 14. "I love my brother very much. I always will, and I think that given the circumstances, at the moment, that's the only *comment I really care to make right* now."

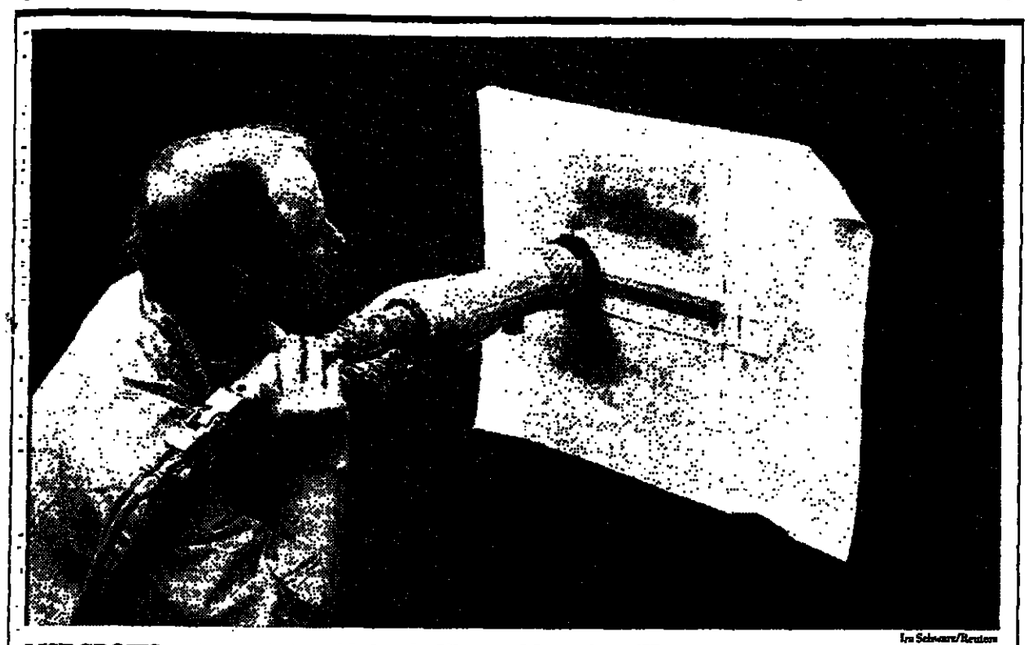
In Massachusetts, sex with a minor under the age of 16 is construed as statutory rape.

The congressman released a terse statement about his former wife's new book, "Shattered Faith," chronicling her campaign to stop the Roman Catholic Church from erasing a marriage that bore two sons, now 16. "This is a very personal matter," it read. "I understand Sheila's feelings and respect her right to express them."

Mr. Kennedy sought the annulment in 1993, when he married his scheduler, Beth Kelly, in a civil ceremony. A tribunal of the Boston archdiocese has granted the annulment; Sheila Kennedy has filed an appeal with the Vatican.

The monarchical notion that the family name might offer some immunity seemed as anachronistic as it was irrelevant. "They behave," said Christopher Lydon, host of a popular radio call-in show, "like the crumbling House of Windsor."

Richard Goodwin, once an aide to Robert Kennedy, predicted that the firestorm will pass: "I think it is damaging, but I think it can be dealt with through accomplishment. It has always rested on that." Potentially most harmful, in Mr. Goodwin's view, is "the *attitude toward women and feminism*, which people tend to read into it."



Ira Schwarz/Reuters

LIST GROWS — A name being added to the Vietnam Memorial in Washington, one of seven new names.

McVeigh's Sister Tells of Hiding Papers

By Jo Thomas
New York Times Service

DENVER — Under cross-examination by her brother's lawyer, Jennifer McVeigh wept on the witness stand as she explained why she agreed to tell the FBI what she knew about Timothy McVeigh and the Oklahoma City bombing.

"They told me he was guilty," and "was going to fry," she said Tuesday.

In testimony in federal court here, she said she had hidden and destroyed papers she thought might incriminate him, had resisted her parents' pleas to cooperate with the government and had lied to the FBI in her first sworn statement.

She told the truth at last, she said, because the agents had threatened to charge her with treason and other crimes *that carried the death penalty.* For her testimony, she was granted immunity from prosecution.

Ms. McVeigh first took the witness stand Monday as an important, if unwilling, witness against her older brother.

Mr. McVeigh, who is standing trial on charges of murder and conspiracy in the bombing that killed 168 people, gave his sister a smile when she entered the courtroom Tuesday and watched as she broke down during a sympathetic cross-examination by Robert Nigh Jr., a defense lawyer.

As she tried unsuccessfully to stop crying, Mr. McVeigh, who has shown *no emotion during the heart-rending* testimony of bombing victims, blushed and looked sad.

While still being questioned by the prosecution Tuesday morning, Ms. McVeigh said that early in 1995, less than four months before the bombing, her brother, who was living in Kingman, Arizona, sent her, without explanation, a box of his belongings, including his high school yearbook and his military records.

At about the same time, Ms. McVeigh found a file on her word processor entitled "ATF-Read." The file contained a brief note that the lead prosecutor, Joseph Hartzler, said reads as if *it were meant for agents of the Bureau of* Alcohol, Tobacco and Firearms, whom Mr. McVeigh blamed for the deaths of *the Branch Davidians after the federal* siege of their compound at Waco, Texas, in 1993.

The note, addressed to "tyrannical" federal agents, warned them that they "will swing in the wind one day for your *treasonous acts against the Constitution* and the United States." Read to the jury by Beth Wilkinson, the prosecutor who questioned Ms. McVeigh, the note concluded, "Die, you spineless, cowardice bastards!"

Away From Politics

• **The world chess champion,** Garry Kasparov, and the supercomputer Deep Blue drew the third game of their six-game rematch after the Russian grandmaster's 48th move, leaving the $1.1 million match tied at 1½ points. *(Reuters)*

• **The army's top enlisted man,** suspended after he was accused of demanding sex from a subordinate during a business trip, has been charged with sexual misconduct and indecent assault involving four women. *(AP)*

• **A 21-year-old single mother** who wants to take along her baby daughter when she attends Harvard University won custody after the girl's father sued to keep the child in California. *(AP)*

• **Texas authorities said they had** *significantly* scaled back their search for the sole remaining fugitive of a secessionist group, predicting that thirst or the danger of attack by a wild animal would force him from rocky highlands. *(NYT)*

Ex-Cultist Kills Himself In 'Heaven's Gate' Style

By Todd S. Purdum
New York Times Service

LOS ANGELES — A former member of the Heaven's Gate cult has been found dead in what is being called a copycat suicide in a motel room near the scene of the group's mass suicide early this spring, and another former member was found unconscious in the same room, authorities said.

San Diego County officials said Tuesday that the men had been discovered, with trademark black Nikes and purple shrouds, in a room at a Holiday Inn Express motel in Encinitas, California. They said the scene was *reminiscent of the discovery of 39 bod*ies of cult members on March 26 in a mansion in Rancho Santa Fe, about four miles (six kilometers) away.

"It was very similar in every way, only on a much smaller scale," said Lieutenant Gerald Lipscomb, chief of the homicide unit in the San Diego County Sheriff's Department.

The dead man was identified as Wayne Cooke, a sculptor and handyman whose wife, Suzanne Sylvia Cooke, 54, was one of the 39 cult members who swallowed barbiturates and vodka, dying in the apparent belief that they would then join a spaceship trailing the Hale-Bopp comet.

The other man, who has been hospitalized in critical condition, was Charles Humphreys, *also known as Rick Edwards. He joined the group in* 1975, frequently leaving and returning but always maintaining an affiliation.

In an interview with The New York Times after the first suicides, Mr. Cooke, who was in his mid-50s, said that he had spent a total of about four years in the group and had left it most recently in 1994. He was morose at having missed out on his former colleagues' supposed ascension and said he would probably join them.

"I am going to drop my shell one of these days," said Mr. Cooke. "Hopefully, I will have another chance."

Mr. Cooke left the group in 1976 and again in 1994. He said he always had believed in the group's ideas and blamed himself for not making enough *progress toward erasing his own* thoughts and replacing them with the group's teachings. In an "exit statement" *he sent to his daughter, Kelly, he* said his suicide would not accomplish the same thing as his 39 "classmates" *who he said had overcome their hu*manness.

"It seems likely," he wrote, "that I will be rescheduled for a future incarnation into a future classroom to complete my overcoming of mammalian behavior and to strengthen my connection with the Next Level Above Human."

Jury Spares Impaired Driver

New York Times Service

WINSTON-SALEM, North Carolina — A jury here has spared Thomas Richard Jones from the death penalty and sentenced him instead to life in prison without parole, in the first case in the United States to produce first-degree murder convictions for deaths caused by driving while under the influence of alcohol or drugs.

The jury took an hour Tuesday to make its decision. The quick judgment came after the jurors found none of the aggravating factors that would have had to be present before the death penalty could be imposed.

Still, prosecutors here said they believed that *Mr. Jones's sentence was the* toughest ever handed down in a case involving impaired driving.

Mr. Jones had taken painkillers and drunk beer before crashing into the side of a car that was trying to elude him. Two students from Wake Forest University were killed in that crash, and four were injured.

POLITICAL NOTES

FBI Advised Reno To Appoint Counsel

WASHINGTON — The FBI director, Louis Freeh, advised Attorney General Janet Reno that early evidence suggesting White House involvement in the Democratic Party fund-raising scandal warranted the *appointment of an independent coun*sel in the case, according to government officials.

Ms. Reno, however, decided on April 14 to follow the advice of other Justice Department officials who said that an independent counsel was unnecessary.

Mr. Freeh made his recommendation orally as part of an FBI analysis of the evidence in the fund-raising inquiry.

He did so, the officials said, after concluding that the Justice Department faced a possible conflict of interest in investigating the actions of several close aides to President Bill Clinton.

The officials, who declined to say *exactly when Mr. Freeh's recommen*dation was made, emphasized that his analysis was based on an interpretation of the facts, not the inquiry's political ramifications.

"There is no sense of an impasse between the director and the attorney general," a Justice Department source said. "It is not a huge conflict."

The official said Mr. Freeh did not try to force his view on Ms. Reno, who also was soliciting advice from career prosecutors in the Justice Department's criminal division. *(WP)*

Hearing on CIA Job Is Short and Sweet

WASHINGTON — Praising the United States' much maligned spies and promising to hold them to "the highest degree of personal integrity," George Tenet breezed through a short and relatively sweet Senate hearing on his nomination to be director of central intelligence.

*The public testimony, which in*cluded no other witnesses and lasted slightly more than three hours, was *the quickest at a confirmation hearing* in the 20-year history of the Senate Select Committee on Intelligence.

In comparison, the committee spent six months mulling over the confirmation of Robert Gates to be director of central intelligence in 1991.

And by focusing directly, if briefly, on the future of U.S. intelligence, the session Tuesday stood in striking contrast to the politically charged hearings on President Clinton's last nominee, Anthony Lake, who withdrew from consideration in March with a blast at a process that he called "a political circus."

Mr. Tenet, acting director for the last six months, was the Senate committee's staff chief from 1989 through 1992.

At 44, he would be the second-youngest director in the CIA's history and the first to rise from the ranks of the agency's congressional overseers.

He still had a few hours to spend with the committee, in a closed session Wednesday, but he appeared certain to win its approval and then confirmation by the full Senate as early as next week, committee members said. *(NYT)*

Disaster Bill Gains

WASHINGTON — The Senate took a step Wednesday toward passage of an emergency disaster relief bill — but without resolving a political dispute that could lead to a presidential veto.

Senators voted, 100-0, to cut off debate on the bill to provide $8.4 billion in new funding this year, including $5.5 billion in aid for more than two dozen states hit by natural disasters.

That set the stage for final passage, probably Thursday.

Left undecided was how the White House and Republican leaders will *deal with language in the bill, sup*ported by Republicans, that would eliminate the possibility of another *government shutdown.*

President Clinton has said that, despite the urgency of getting relief to *suffering Americans, he will veto a* bill with the no-shutdown provision.

The White House and Democrats oppose a plan to freeze funding automatically at 98 percent of the previous year's levels if spending bills have not been agreed upon by the start of the fiscal year. They say it would open the way for Republicans to cut programs without fearing repercussions from another federal shutdown. *(AP)*

Quote/Unquote

John Rother, chief lobbyist at the American Association of Retired Persons, as Republicans and Democrats fought over provisions affecting Medicare in the balanced-budget agreement: "It's weird to have the celebration over and the negotiations still going forward." *(NYT)*

Republic of Lebanon
Ministry of State for Administrative Reform
Council for Development and Reconstruction
Invitation for Bids

1- The Lebanese Government has received a Loan from the International Bank for Reconstruction and Development towards the cost of the Administrative Rehabilitation Project. It is intended that part of the proceeds of this Loan will be applied to eligible payments under the contracts for procuring Office Technology Products for various ministries and agencies.
2- The Ministry of State for Administrative Reform and the Council for Development and Reconstruction (CDR), representing the Lebanese Government, now invite sealed bids from eligible suppliers for the supply of Personal Computers, Servers, Hubs, License for Microsoft Software, Printers and U.P.S's.
3- Interested eligible suppliers may obtain further information and examine the bidding documents at the headquarters of : The Council for Development and Reconstruction - Tallet El Serail - Beirut Central District - Facsimile : (01) 864494 - 647947 - Tlph. (961-1) 643980/1/2/3 - Beirut - Lebanon
4- Starting 8th May 1997 a complete set of bidding documents may be purchased upon payment of a nonrefundable fee of US$ 500 in the form of a banker's certified check in the name of the CDR.
5- Bids must be delivered to the CDR headquarters on or before 12:00 hrs local time on Wednesday 25th June 1997.
6- Bids will be opened in a public session at 12 hrs local time on 25th June 1997 at the CDR headquarters.

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THE WORLD'S DAILY NEWSPAPER

Asian Lust for Cure-Alls Threatens Rare Species

By Sheryl WuDunn
New York Times Service

SEOUL — As a pharmacist measured the clumps of grass and crushed stems on the table, Park Sun Yeop kept turning to one item not yet on the pile: the budding antler of a deer.

"I need energy," she said, hesitating over the extra cost of antlers, as her little daughter tugged at her skirt. "I want to have a second baby, and I think this will help."

In the end, she bought the antlers, like millions of other South Koreans whose craving for Chinese medicines is transforming this increasingly wealthy country into a magnet for products made from some of the world's rare and endangered species.

"Ox gallstones, rhinoceros horns, tiger bones, bear gallbladders," said Kim Woo Sik, a doctor of traditional Chinese medicine. "People who have lots of money and are very foolish when it comes to medicine — they want these things."

Chinese medicine, which uses brews of herbs, flowers, grasses and sometimes animal parts in a tradition that stretches back thousands of years, is widely used by Koreans, Chinese and Japanese.

It is perfectly legal in South Korea to purchase some animals or animal parts, like centipedes or deer antlers — velvety antlers with flecks of the animal's blood.

But buying tiger bones, rhinoceros horns, the musk of deer and the gallbladders of bears is generally not.

And gallbladders have suddenly become one of the hottest items here in the frenetic search for better health and longevity.

For instance, nine out of every ten gallbladders snatched from the world's dwindling population of bears end up in South Korea, environmental groups here say.

They are coveted for healing diabetes, liver ailments and heart conditions.

And Western medicine, too, has harnessed the active ingredient in bear gallbladders.

But recently, the gallbladders have acquired the mistaken image of a magical cure-all, and more and more, they are used in health tonics or in aphrodisiacs, with a dash of alcohol. Korean restaurants used to serve dishes with names like braised bear palms until a crackdown last year forced the bear dishes off the menus.

Last summer, five Koreans and two Thais were arrested after they were caught with the carcasses of six wild bears, with the paws chopped off and the gallbladders and other internal organs extracted.

The demand for bear parts is threatening anew certain endangered species of bears.

"Koreans are concerned about bears," said Yoo Soo Hoon, a researcher at the Korean Federation for Environmental Movement. "But at the same time, bear gallbladders are so good for the health that people can't resist using them."

In South Korea, fewer than 10 wild bears are left in the mountains, according to the federation. The rest have all been secretly hunted down.

Moreover, there is a belief that when a bear is afraid or hungry its gallbladder becomes larger, so that often a poacher will frighten or wound the bear first to have it die slowly in pain.

A single gallbladder can fetch thousands of dollars here. One merchant in the Kyung Tong market said that the going price for gallbladders was $1,100 an ounce (28 grams).

A limited amount of trade in bear gallbladders is legal in South Korea, primarily of those from bears in the United States, and pharmaceutical companies use them to make drugs.

But experts say that the underground market for gallbladders and other rare ingredients is flourishing. Though many Koreans take Chinese medicine for ailments as common as the cold, if they take anything exotic, they consider it a special occasion.

Ki Chong So, a 76-year-old retired farmer who has used Chinese herbs since he was a baby, drinks a potion of deer antlers only once a year, to restore his energy.

"It's better than not taking it," he explained, as he sauntered past bundles of dried centipedes in the Kyung Tong market. "I'm not so healthy. That's why I need Chinese medicine."

Fakes abound, however, said Han Dae Suk, a director of the Korea Pharmaceutical Traders Association. Mr. Han has conducted random tests on gallbladders brought to him by customers. Pig gallbladders, for instance, can sometimes be mistaken for bear gallbladders, and camel bones often pass for tiger bones.

These days, though, many of the active ingredients in these animal parts can be reproduced synthetically, and practitioners prescribe the artificial forms. But there is still a demand for the real thing.

"It's like asking, What do you think about the difference between a natural diamond and an artificial diamond?" Dr. Kim said. "Is it the same thing?"

BRIEFLY

India Separatists Kill 18 in Patrol

AGARTALA, India — Separatist tribal guerrillas ambushed a security patrol in northeastern India on Wednesday, killing 17 paramilitary soldiers and a policeman, the state police said.

Three paramilitary soldiers were critically wounded in the attack by militants of the National Liberation Front of Tripura, which is an outlawed guerrilla group.

The state government asked the army and paramilitary troops to start a search operation for the insurgents, said Bibhuti Chaudhury, a police superintendent, in Agartala, the capital of Tripura state. *(Reuters)*

Seoul Holds Out Aid As a Carrot to North

TOKYO — The United States and South Korea do not plan to give large-scale food aid to North Korea until the Communist nation agrees to open peace talks, Japanese officials said Wednesday.

Briefing reporters on talks in Tokyo involving Japan, South Korea and the United States, the officials said Japan did not plan to give any aid until ties with North Korea were normalized.

The one-day talks at the Japanese Foreign Ministry focused on food shortages in North Korea and ways to encourage it to join peace talks.

"We basically agreed it was important to keep a cautious eye on the food situation in North Korea," a Foreign Ministry official said.

The talks involved Charles Kartman, a U.S. deputy assistant secretary of state, Yu Myung Hwan, director-general for North American affairs at the South Korean Foreign Ministry, and his Japanese counterpart, Ryozo Kato. *(Reuters)*

Taiwan Official Offers to Resign

TAIPEI — The prime minister of Taiwan offered to resign Wednesday because of the public outrage over crime, but President Lee Teng-hui asked him to stay.

Mr. Lee said Prime Minister Lien Chan should remain to oversee investigations into three murder cases and to make changes in the Cabinet, said Wu Poh-hsiung, secretary general of the governing Nationalist Party.

The outrage over crime was set off by the kidnapping and murder last month of the 17-year-old daughter of a popular actress. On Sunday, about 50,000 people marched in Taipei, demanding the resignation of the cabinet. *(AP)*

UN Leader Begins First Visit to Beijing

BEIJING — Kofi Annan began his first visit to Beijing as secretary-general of the United Nations on Wednesday, saying he planned to discuss reform of the organization with one of its most important members.

"I'm looking forward to having a very constructive and useful dialogue with the Chinese authorities and to being able to discuss UN reforms and other issues," Mr. Annan said after arriving in Beijing.

"I think China plays a very important role in United Nations affairs," he added, "and has a leadership role in the world."

Mr. Annan was scheduled to meet with President Jiang Zemin on Thursday. He also plans to hold talks with Foreign Minister Qian Qichen and economic leaders during what UN officials described as a "courtesy visit." *(Reuters)*

China Cracks Down At Macau Border

HONG KONG — China has tightened security on the border with Macau in an effort to help the Portuguese-run territory crack down on a wave of gang-related crime, Chinese-language newspapers in Macau reported Wednesday.

The stricter controls are intended to "fight illegal immigration and stop the entry and exit of suspected criminals," the Va Kio daily quoted Huang Yanquan, a spokesman for the Chinese border-inspection office, as saying.

Mr. Huang said the office would also step up the screening of illegal immigrants deported from neighboring Macau in an effort to identify criminals. *(Reuters)*

Malaysia No. 2 To Take Reins Up to 2 Months

Reuters

KUALA LUMPUR — Deputy Prime Minister Anwar Ibrahim will run the country when Prime Minister Mahathir bin Mohamad goes away on a combination work-and-vacation trip that could last two months, government officials said Wednesday.

Mr. Anwar will be acting prime minister, the officials said, while Mr. Mahathir visits a number of countries, in part to promote Malaysia's new technology zone, the Multimedia Super Corridor

News of Mr. Mahathir's impending departure — reportedly the longest he has planned since becoming prime minister in 1981 — stirred speculation in financial markets Wednesday. Most of the talk, which dealers said weakened the value of the ringgit, centered on whether Mr. Mahathir was testing the governing abilities of Mr. Anwar, who is widely regarded as his successor.

Another concern was that the prime minister's health was failing, although officials firmly denied that the 71-year-old, who had a heart operation eight years ago, was ill in any way.

"There's no secret here," said Nazri Aziz, deputy minister in the prime minister's office. "The PM will be going on leave for two months, and Anwar will be the acting PM."

Officials said Mr. Anwar, who also serves as finance minister, would take over Mr. Mahathir's powers as home minister as well.

Mr. Mahathir, who is finishing a visit to African countries, was scheduled to return to Kuala Lumpur on Thursday and announce his mission, which could start late this month.

Transport Minister Ling Liong Sik said the prime minister was scheduled to visit London and such East European countries as Poland and Russia to discuss bilateral issues and promote the high-tech development, which is to extend south from Kuala Lumpur.

The opposition portrayed the transfer of power as an effort by Mr. Mahathir to reassess his political strength and that of the government.

"You take a step back, watch the weaknesses and strengths in your government while you're gone, and then ponder on ways to improve things," said Lim Guan Eng, deputy secretary-general of the Democratic Action Party, the largest opposition party. "He's right to do it."

Simon Kwong/Reuters

Activists in Taiwan burning a Japanese flag Wednesday to protest the visit by the legislator to the islands.

Japan Tries to Defuse Isles Dispute

Reuters

TOKYO — Japan emphasized its sovereignty over disputed islands in the East China Sea on Wednesday, but described a visit there by a nationalist legislator as an "illegal act" that was bad for Tokyo's foreign relations.

The legislator's landing on Tuesday on the uninhabited islets, called the Senkaku Islands by Japan and the Diaoyu Islands by China, drew sharp protests from China and Taiwan, both of which claim the territory.

Egg-throwing demonstrators briefly took over Japan's quasi-official embassy in Taiwan. Small protests were also held in Hong Kong, and plans went ahead for a flotilla to sail from Taiwan to the islands on May 18.

The top Japanese government spokesman, Seiroku Kajiyama, said at a news conference: "The Japanese government has repeatedly stressed that the islands are territory under Japanese control, but in view of the landowner saying he does not want landings or other activities on the islands, it was an illegal act."

"The landing was also not a good idea from the point of view of foreign relations," he added.

Japan has claimed the islands since 1895. China says it has owned them since ancient times.

Chinese, Taiwan and Hong Kong activists backing China's claims to the Japanese-administered isles reacted angrily to the landing by the legislator, Shingo Nishimura, who planted a Japanese flag on one of the islands and held a memorial ceremony there.

Mr. Kajiyama said there were no plans to prosecute Mr. Nishimura or to summon him for censure.

Mr. Nishimura's political party, The New Frontier, which is the main opposition group, also distanced itself from the visit, saying it was a private act. But Mr. Nishimura insisted that the government was not asserting itself "as a state."

Beijing Sentences Abbot With Ties to Dalai Lama

The Associated Press

BEIJING — A senior Tibetan Buddhist monk suspected of passing information to the Dalai Lama has been sentenced to six years in prison for plotting to split China, the Xinhua press agency reported Wednesday.

The conviction of Chadrel Rinpoche, along with two aides, for separatism and disclosing state secrets, was a warning to Tibetan clerics, many of whom remain deeply loyal to the Dalai Lama.

The Chinese Communist Party is in the midst of a three-year campaign to suppress pro-independence sentiment in Tibet and discredit the Dalai Lama.

One weapon Beijing hoped to use to divide Tibetans was the arcane search for one of Tibetan Buddhism's supreme religious leaders. Chadrel Rinpoche led the Beijing-approved search for the 11th reincarnation of the Panchen Lama.

But he was detained in May 1995 after the Dalai Lama, from his exile in India, announced the name of the new Panchen Lama. Chadrel Rinpoche was suspected of informing the Dalai Lama of his search team's choice.

The announcement robbed Chinese leaders of a chance to name the new Panchen Lama, a right they claim to have under a 200-year-old agreement, which they say proves China has ruled Tibet for centuries.

The Xinhua report provided no details of the allegations against Chadrel Rinpoche, abbot of the Panchen Lama's Tashilhunpo monastery: Chamba Chung, deputy director of the Panchen Lama's residence, and Samdrup, an executive of the Gangjian Corp., a business believed to be affiliated with the monastery.

"They seriously jeopardized national unification and the unity of ethnic groups, damaged the stability and development of Tibet and have committed the crime of splitting the country," Xinhua said.

Because state secrets were involved, Xinhua said, the three were tried in secret in Shigatse, Tibet's second city and site of Tashilhunpo. All three confessed their crimes, it added.

In addition to six years for Chadrel Rinpoche, Chamba Chung was sentenced to four years in prison and Samdrup to two.

Chadrel Rinpoche is the highest-level Tibetan cleric arrested and sentenced in 17 years, said Kate Saunders of Tibet Information Network, a London-based monitoring group.

After Chadrel Rinpoche was arrested, Beijing forced Tibet's Buddhist hierarchy to repudiate the Dalai Lama's candidate and choose another 6-year-old boy.

The Dalai Lama's choice has not been seen in public since.

Singapore's Leaders Ask Millions in Damages

Reuters

SINGAPORE — Singapore's leaders asked a court Wednesday to award 12.9 million Singapore dollars in damages against an opposition politician they said had tried to destroy their honor and reputations.

Senior Minister Lee Kuan Yew sought 3.35 million dollars ($2.33 million) from Tang Liang Hong, who lost in the election in January and then fled to Malaysia, saying he had received death threats.

Prime Minister Goh Chok Tong asked for 2.15 million dollars, and the deputy prime minister, Lee Hsien Loong, sought 2.1 million dollars from Mr. Tang, who was a major target of the long-governing People's Action Party during the election campaign.

Mr. Tang was sued by Mr. Goh, Mr. Lee and 10 other leaders of the party for calling them liars over their allegations that he was an "anti-Christian Chinese chauvinist" who endangered racial harmony in Singapore.

"The case for substantial damages is compelling," Lee Kuan Yew's lawyer, Davinder Singh, told the court Wednesday during a hearing to determine damages.

The libel cases were awarded to the party leaders in March after Mr. Tang had failed to turn up to defend himself.

Mr. Singh said the damages should be awarded because Mr. Tang "perpetrated the libel and repeated it" after the elections by giving media interviews.

"When he was sued, he ran away," he added.

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EUROPE

BRIEFLY

Italy Prudent on Albania Force

ROME — The Italian defense minister, Beniamino Andreatta, said Wednesday that a multinational security force in Albania should be withdrawn if an agreement between political parties to hold elections by the end of June was broken.

"If this agreement fails, both the United Nations and the governments involved," he said, "should look again at the reasons for the mission and proceed with its withdrawal." Mr. Andreatta was speaking in the Chamber of Deputies at a question session.

Italy is leading the multinational force, which began its three-month, UN-backed mission to oversee humanitarian aid deliveries on April 11. *(Reuters)*

A New Russia-NATO Meeting

LUXEMBOURG — Foreign Minister Yevgeni Primakov of Russia said Wednesday that he would have another meeting with the NATO secretary-general, Javier Solana Madariaga, in Moscow on Tuesday.

Mr. Primakov said at a press conference here that his talks late Tuesday with Mr. Solana about Russian concerns over NATO's eastward expansion had been fruitful, but some issues still needed clarification.

Asked if the agreement would be ready for signing in Paris by President Boris Yeltsin and NATO heads of state and government on May 27, as expected, the Russian minister answered: "We'll see, I cannot say until after meeting Mr. Solana on May 13." *(AFP)*

Sofia Lawmakers Vow Reform

SOFIA — Bulgaria's new Parliament held its first session Wednesday, pledging to reform the shattered economy, to fight crime and corruption, and to bring the country into the European mainstream.

Elections held last month after mass protests forced the fall of the Socialist government in February gave the center-right Union of Democratic Forces a big majority.

"Today, everyone is convinced that a new reformist majority has been born in Bulgaria, and you here in Parliament are the most important part of it because you are called upon to carry the burden of reforms on your shoulders," President Petar Stoyanov said at the opening session. *(Reuters)*

Turkey Hails EU Mediation

ANKARA — Turkey said Wednesday that it welcomed an EU-inspired mediation meeting with Greece scheduled to take place this month in the Netherlands.

"We hope the committee's work will be a positive and constructive start for solving the problems," said Sermet Atacanli, a Foreign Ministry spokesman.

NATO allies Turkey and Greece are at odds over the divided island of Cyprus, territory in the Aegean Sea and minority rights. *(Reuters)*

Bonn Sets Reward in ETA Case

BONN — Investigators offered a 10,000 Deutsche mark reward, about $5,900, on Wednesday for a fugitive German woman suspected by the Spanish authorities of helping Basque terrorists.

Renate Heike Schubbert, 33, is believed to have rented a Madrid safe house for wanted members of the Basque separatist group ETA, investigators at the Hesse State Criminal Office said. *(AP)*

Chirac Weighs Into Race as Right Begins to Worry

By Anne Swardson
Washington Post Service

PARIS — President Jacques Chirac on Wednesday went on the political attack against his surging leftist opponents in his first public effort to win an electoral victory for his incumbent conservative parties.

When he called the election in April, 10 months ahead of schedule, Mr. Chirac said he hoped for a "new elan" in France.

On Wednesday, in a statement printed in 14 regional newspapers and pirated by several Paris papers, Mr. Chirac said France needed a "shared elan," and criticized the Socialists' proposals for more government programs and less business privatization.

"Our country, in the past, has not always made good choices," Mr. Chirac said. "We have too often confused spending and efficiency, the size of the public sector with the quality of public service. We thought that in nationalizing industries we assured their success." He added that "the time has come to enter a new phase."

In the bifurcated French system, presidents are not expected to inject themselves into legislative politics. Mr. Chirac's job is not on the line, but his command of the reins of government and the future of his ally, Prime Minister Alain Juppe, would be called into question by a Socialist victory. Mr. Chirac is expected to speak again on the elections before voting begins; sources say the president's aides are becoming increasingly concerned about the possibility of a conservative defeat.

Spokesmen for the Socialists and Communists called the president's statements "nothing new." In fact, though Mr. Chirac's message was a clearer statement of his center-right government's hopes for modernizing France's stratified economy than before, it also illustrated his political quandary.

Many of his goals are, in their broad form, opposed or feared by French voters.

Thus, he did not mention France's effort to qualify for the European single currency, a rigorous exercise in budgetary slimming also being undertaken by the rest of Continental Western Europe. He called for "modernity," but said little about what it would take to modernize France and its heavy dependence on government for welfare programs, business subsidies and labor protections.

In calling the early two-round elections for May 25 and June 1, Mr. Chirac had hoped to catch the left by surprise. But since his announcement, the Socialists and Communists together have risen in the polls nearly even with the two incumbent parties of the conservative coalition.

Writing in the leftist newspaper Liberation on Wednesday, Serge July, an analyst, said, "It is clear the majority was not ready for this kind of battle; it seems instead to have become the first victim of the operation."

The idea was to give Mr. Chirac a freer hand during negotiations a year from now on entry into the single-currency club. Only nations that have sufficiently reduced their spending, debt and inflation can qualify, although few European countries are close to meeting the standards. For Mr. Chirac and the unpopular Mr. Juppe, the next 10 months would have been a juggling act, with the left nipping at every move toward austerity.

However, the left quickly figured out its politicians could run against future austerity as well as they could against extant austerity, and the Socialist Party leader, Lionel Jospin, also has been backing away from his party's historical support for European integration and the single currency.

He has promised to create 700,000 publicly financed jobs and stop the planned privatizations of several major businesses, making it more difficult to cut spending enough to meet the single-currency deficit standards.

"They are incapable of saying how they will finance it all," said Charles Pasqua, a former interior minister from Mr. Chirac's Rally for the Republic party. But, he said, Mr. Chirac deliberately refrained from emphasizing Europe in his campaign for fear the election would turn into a referendum on the single currency, to which opposition is increasing.

■ A Socialist Pledge

Mr. Jospin, whose party has struck deals with the anti-European Communists and with the Greens, said he would not sacrifice jobs to achieve the euro criteria, making France's record 12.8 percent joblessness the key issue, Agence France-Presse reported from Paris.

"Those who accept the euro unconditionally, those who accept Europe's drift towards liberalism, in violation of the spirit and the letter of Maastricht, are the gravediggers of the European ideal," he said.

The Socialist Party manifesto, unveiled last week, notably pledged to create 700,000 jobs for the young and introduce a 35-hour working week without loss of pay in place of the current 39 hours.

"Yes to monetary union but under certain conditions," the manifesto said, stressing the need to underline social and political issues.

The former Socialist minister for European affairs, Elisabeth Guigou, said her party "has no intention of renegotiating the criteria" set by Maastricht and will not ask for a change in the European Monetary Union calendar.

Jack Lang, also a former Socialist minister, stressed: "What we want is not less Europe but more Europe, more economic Europe via an economic government that would control the European bank, and more social Europe."

Anti-Land Mine Personnel

London, Paris and Bonn Officials Agree to Seek Ban

Compiled by Our Staff From Dispatches

BONN — Britain, France and Germany agreed Wednesday on a tripartite effort to ban anti-personnel land mines worldwide and said they would intensify cooperation in arms control and disarmament.

The foreign ministers of Britain, France and Germany — Robin Cook, Herve de Charette and Klaus Kinkel — made the announcement in a joint statement issued after Mr. Cook meet with Mr. Kinkel in Bonn.

"The three foreign ministers of Germany, Britain and France agreed to intensify their close cooperation in the area of arms control and disarmament," the statement said.

"They agreed to give particular priority to the early conclusion of an effective, legally-binding international agreement to ban worldwide the use, stockpiling, production and transfer of anti-personnel land mines.

"They are determined to make every effort to prevent the creation of more minefields in the future and are deeply concerned at the continuing toll in human life and suffering from minefields laid down in the past."

Mr. Cook, on his first foreign trip since taking office last week after his Labour Party ended 18 years of conservative rule, met with Mr. de Charette in Paris earlier in the day.

Before that meeting, Mr. Cook conferred for about 30 minutes with Lionel Jospin, the leader of the opposition Socialist Party in France.

Mr. Cook said he hoped his trip to Paris and Bonn would mark the start of a new era in Britain's relations with Europe after what he called a sterile and fruitless period of confrontation. France and Britain will try to work out a joint approach to a review of the workings of European Union institutions at the EU Intergovernmental Conference, the foreign secretary said.

"I want to make sure that Britain has a fresh start in Europe and that Britain joins France and Germany as the leading players," Mr. Cook said after the meeting with Mr. Jospin.

Neither Mr. Cook nor Mr. Jospin would comment on the likelihood of Britain's joining a single European currency.

Mr. Cook said that the Socialists were Labour's "sister party" but declined to express a preference on the outcome of French parliamentary elections on May 25 and June 1. "We have good relations with our sister party but we will work very closely with whomever the French people choose to govern them," he said. *(AFP, Reuters)*

Lynne Sladky/The Associated Press

RANKS OF POWER — Tony Blair joining some of the 102 women elected as Labour members of Parliament, gathered on Wednesday for a group photograph.

INTERNATIONAL

BRIEFLY

Iran Picks 4 to Run In Presidential Race

TEHRAN — Iran's ruling clerics selected four candidates Wednesday to run in the May 23 presidential election, turning down 234 other prospects.

All those approved are stalwart backers of Iran's fundamentalist Muslim establishment. None of the nine women who had signed up — the first in Iran's history to put themselves forward as presidential candidates — were selected.

The decision was made by the 12-man Guardian Council. It said in a statement that the candidates would be Ali Akbar Nateq-Nouri, the Parliament speaker; Mohammed Khatami, a former culture minister; Mohammed Mohammedi Reyshahri, a former intelligence minister, and Sayed Reza Zavareie, deputy head of the judiciary.

The winner will succeed President Hashemi Rafsanjani, who must step down by law at the end of his second four-year term in August. *(AP)*

Ex-Malawi Leader 'Is Too Ill to Testify'

BLANTYRE, Malawi — A judge has ruled that the former dictator of Malawi, Hastings Kamuzu Banda, is too old, frail and ill to face trial on fraud charges, state radio reported.

Mr. Banda, in his 90s and senile, would be unable to meet his constitutional right to challenge evidence, Judge Duncan Tambala said in a ruling issued Tuesday. State prosecutors argued Mr. Banda could be tried in his absence on charges of misusing $10 million in state funds during his 30-year rule.

The judge said Mr. Banda, who was turned out of office in the first democratic elections, in 1994, "clearly is not fit to attend trial due to old age and poor health," but that the charges could be reopened if his condition improved. *(AP)*

Manitoba Evacuees Trickle Back Home

WINNIPEG, Manitoba — Stricken southern Manitoba began returning to normal Wednesday as evacuees slowly returned home and the Red River's crest pushed north of Winnipeg. The first of the 8,800 evacuated Winnipeggers will be allowed back home starting Thursday, with the rest following in the next two weeks. Twenty-nine homes in Winnipeg, a city of 650,000, were flooded. The floods devastated southern Manitoba and North Dakota, causing more than $1 billion in damage. *(Reuters)*

Guatemala Farmers Threaten Ex-Rebels

GUATEMALA CITY — Government negotiators were working to calm tensions in a northern Guatemalan town where farmers, resentful after 36 years of war, rejected the resettlement of a group of former guerrillas, officials said.

Residents of Pueblo Nuevo, a farming cooperative near the Mexican border in the province of Quiche, over the weekend violently rejected 30 former combatants from the Guatemalan National Revolutionary Unit who hoped to settle there. About 300 peasants threatened to burn down houses built for the former fighters. The police confirmed that local people tried to lynch two former guerrillas. *(Reuters)*

Tung's Softer Line On Civil Liberties

HONG KONG — Tung Chee-hwa, Hong Kong's future leader, returned from meetings with top Chinese officials Wednesday, taking a softer line on plans to restrict civil liberties after the handover to China.

Mr. Tung said he was prepared to tolerate public calls for his resignation and even burning of his effigy after he takes the helm July 1. But he cautioned that he prized public order.

"Hong Kong society is now very stable, very good," Mr. Tung said. "It is something we are very proud of, and I said it would be sad if in such a successful and peaceful society, lives started to change."

Seoul Got Secrets, U.S. Analyst Admits

ALEXANDRIA, Virginia — Robert Kim, 57, a former U.S. Navy intelligence analyst accused of spying for South Korea, pleaded guilty Wednesday to one count of conspiracy to commit espionage.

Mr. Kim told a federal judge he passed Defense Department and State Department secret documents to a representative of the South Korean government. District Judge Leonie Brinkema scheduled sentencing for July 11. *(AP)*

South Africa's Ex-Defense Chief Apologizes

Agence France-Presse

CAPE TOWN — Former Defense Minister Magnus Malan on Wednesday took full responsibility for secret apartheid-era raids into neighboring countries, but said they were all state-sanctioned and legal.

Mr. Malan became the first senior military chief to apologize before South Africa's Truth and Reconciliation Commission for covert operations committed in defense of the now-defunct white minority regime.

Soldiers under his command committed abuses that led to "the deaths of innocent people" as part of their "duty" to their political masters, Mr. Malan said.

The former minister said the apartheid regime's state security council, grouping the president, military officials and senior ministers, had authorized "legal" raids against anti-apartheid bases in neighboring countries "that caused much bloodshed."

"I authorized orders to cross-border operations, which led to the killings of innocent people," he said. "I regret it, but unfortunately, this is the reality of war."

He further admitted that the military had created a secret unit aimed at "providing the South African Defense Force with good covert capabilities to destroy terrorists, bases and capabilities."

Mr. Malan, who was acquitted last year of charges of ordering the 1987 massacre of eight people in KwaZulu-Natal Province, acknowledged that some soldiers' judgment had suffered "in the heat of battle."

"I take full moral responsibility when members of the South African National Defense Force acted unlawfully, and I offer my unqualified apologies," Mr. Malan told the panel.

Mr. Malan, who served as defense minister during the 1980s, likened the role of the apartheid military to Umkhonto we Sizwe, the armed wing of President Nelson Mandela's African National Congress, which, he said, also committed abuses for their anti-apartheid cause.

"The cruelty of man against man can often appear inexplicable and difficult to justify," Mr. Malan said, adding that all participants in historical conflicts had committed terrible acts.

Successive white minority governments under the National Party, now led by Frederik de Klerk, should bear the blame for immoral, yet "lawful," acts committed in defense of the state, Mr. Malan added.

■ Winnie Mandela May Testify

The truth commission said Wednesday it would probably call President Mandela's former wife, Winnie, to testify about two missing children, Reuters reported from Cape Town.

A member of the commission, Yasmin Sooka, told reporters it was "more than likely" that the commission would subpoena Winnie Madikizela-Mandela to give evidence in camera.

The parents of two children who disappeared in the black township of Soweto in the 1980s asked the commission to try to find out what happened to them. At the time, Mrs. Mandela lived in Soweto surrounded by the "Mandela United Football Club," a group of young bodyguards whom Soweto residents accused of waging a reign of terror.

Sara Krulwich/The Associated Press

Former Defense Minister Magnus Malan appearing in Cape Town on Wednesday at a hearing of the Truth and Reconciliation Commission.

Snowflakes in France 3 Days After Hot Spell

Agence France-Presse

RENNES, France — Snowflakes coated parts of western France on Wednesday as a freak cold spell settled over much of the country.

A police officer in Tours, south of the capital, said: "I've never seen anything like it in 14 years."

Temperatures fell to freezing over much of western France at dawn, only three days after a heat wave.

AMERICAN TOPICS

Word at the NOW Meeting: 'Polygamy Is Empowering'

The Utah members of the National Organization of Women heard from an unlikely speaker at their recent conference in Salt Lake City, Utah: a polygamist wife who says she has the ultimate feminist lifestyle.

Elizabeth Joseph contended in the conference's keynote address that polygamy was compatible with feminism because it allowed career-minded women flexibility and freedom.

"Polygamy is an empowering lifestyle," she told members of the organization, known as NOW.

Mrs. Joseph, a city attorney, college instructor and radio news director, is one of eight women married to Alex Joseph, 60, a businessman who lives in the southern Utah town of Big Water.

But being married to a man with seven other wives and living "within spitting distance" of them is liberating, Mrs. Joseph said.

"I was able to go to law school 400 miles away," she said, "knowing my husband had clean shorts in the morning and dinner at night." The other wives enjoyed similar freedom, she said.

When, just out of college, she met Alex Joseph, "I married the best man I ever met," she said. They now have three children; he has 18 children by his other wives.

The wives — and for that matter, the whole family — get along famously, Mrs. Joseph said. Mr. Joseph works at home and is always available to the children; someone is always around to baby-sit. "I've maximized my female potential," she said.

An estimated 20,000 people live in polygamous families in Utah, as do several thousand in other Western states.

Many, like the Josephs, belong to fundamentalist groups that broke away from the Mormon Church, which abandoned its belief in polygamy in the late 1800s.

The authorities often are slow to enforce laws against polygamy because of the disruption such action would cause to families.

Short Takes

New York City marked a century of unity this week. In the beginning, there was something less than harmony. When more than 40 local governments were welded together, it was over the vetoes of the mayors of Brooklyn and New York.

But a desire for unity — at a time of social, political and economic strife that had torn the country since the Civil War — finally prevailed, The New York Times recalls.

The New York that was created by adding Brooklyn, Queens and Staten Island to what had been just Manhattan and the Bronx became the world's second-largest city, after London.

It's ramp season in the highland woods of Appalachia, so eyes are watering. The ramp, a close cousin of the wild onion, is found for only a few weeks each spring. Its arrival is a cause for celebration among the bold and trepidation among the weak.

The ramp can be served raw, stewed, boiled, baked or fried. It has a taste like "onion and garlic to the 10th power," blended with a dash of pepper and a fistful of dirt, The Baltimore Sun says. True lovers dive in with gusto — then cancel any social plans.

The problem is the smell, variously described as putrid, gaseous and worse than a dead mouse in the wall. Naughty boys in rural schools used to cause an end to lessons for the day by rubbing a ramp on a radiator.

So travelers in the area, beware. If someone tells you "Try one. They won't make your breath stink," hold your nose and take it with a ton of salt.

International Herald Tribune.

Oops! Error Makes Newsweek Recall Issue

The Associated Press

NEW YORK — Newsweek magazine is recalling a special issue on children because it recommends that parents allow babies as young as five months old to eat foods that can cause choking.

It is the first time Newsweek has recalled an issue.

The magazine, which is owned by The Washington Post Co., did not estimate the cost of recalling the several hundred thousand issues that have been distributed to newsstands.

The issue, which features a blue-eyed baby on the cover, suggests in a chart that infants can eat raw carrot chunks and zwieback toast at the age of five months.

In fact, children at that age can eat pureed foods but could choke on something solid such as raw carrot.

No choking incidents have been reported as a result of the chart.

The recall was prompted by a phone call from a reader who is a pediatrician.

The mistake was made by a copy editor who was working on two items simultaneously, according to Karen Wheeler, a spokeswoman for Newsweek.

The issue will be reprinted without the error and redistributed to newsstands, hospitals and doctors' offices. As a special edition, it was intended to remain on newsstands for several weeks.

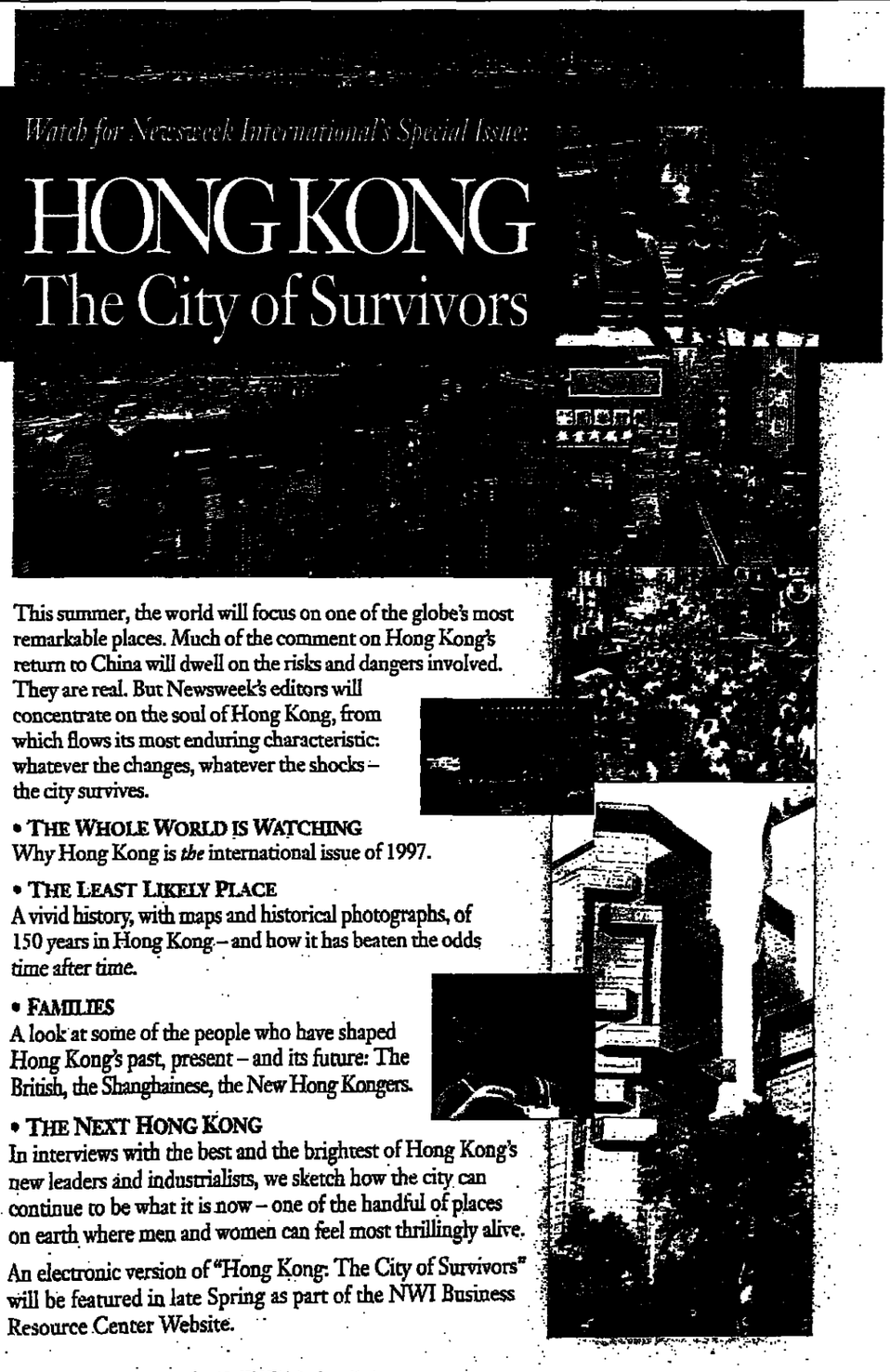
Subscribers also received the issue.

A note to readers in the magazine's May 12 issue invites them to phone Newsweek if they would like a corrected version of the feeding chart.

The magazine has a circulation of more than 3 million.

Watch for Newsweek International's Special Issue:

HONG KONG
The City of Survivors



This summer, the world will focus on one of the globe's most remarkable places. Much of the comment on Hong Kong's return to China will dwell on the risks and dangers involved. They are real. But Newsweek's editors will concentrate on the soul of Hong Kong, from which flows its most enduring characteristic: whatever the changes, whatever the shocks – the city survives.

• THE WHOLE WORLD IS WATCHING
Why Hong Kong is *the* international issue of 1997.

• THE LEAST LIKELY PLACE
A vivid history, with maps and historical photographs, of 150 years in Hong Kong – and how it has beaten the odds time after time.

• FAMILIES
A look at some of the people who have shaped Hong Kong's past, present – and its future: The British, the Shanghainese, the New Hong Kongers.

• THE NEXT HONG KONG
In interviews with the best and the brightest of Hong Kong's new leaders and industrialists, we sketch how the city can continue to be what it is now – one of the handful of places on earth where men and women can feel most thrillingly alive.

An electronic version of "Hong Kong: The City of Survivors" will be featured in late Spring as part of the NWI Business Resource Center Website.

http://www.newsweek-special.com/hongkong

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INTERNATIONAL

Clinton Appeals to Mexico To Stick to NAFTA Track

Export Free Trade to Latin America, He Says

The Associated Press

MEXICO CITY — Calling for free trade throughout Latin America, President Bill Clinton said Wednesday that the United States and Mexico must defy people who "would throw up walls of protection."

In an appeal to the Mexican people, Mr. Clinton said the North American Free Trade Agreement was a boon to the American and Mexican economies. "We must accelerate the pace of these efforts, to reach more people and more communities," he said.

"We must include more nations in our partnership so that we can achieve our goal of a Free Trade Area of the Americas," he said, according to an advance copy of his speech.

After talks about immigration and drugs with the Mexican government Tuesday, Mr. Clinton delivered his address Wednesday to hundreds of people in the National Auditorium.

He sprinkled the speech with lines designed to appeal to the pride of Mexicans, many of whom feel that the United States treats their country like a second-rate neighbor.

He congratulated the government for "carrying forward bold political reforms" and said the United States and Mexico were true partners in the fight against drugs.

The message was a follow-up to talks Tuesday with President Ernesto Zedillo. A series of modest agreements on immigration, drugs and trade appeared to defuse tensions between the two governments.

For Americans, Mr. Clinton vowed to "take effective action to stop illegal immigrants."

He added: "We are a nation of immigrants — and of laws. Just as those who obey our laws are welcome, those who break the laws must face the consequences."

For Mexico, he promised a policy that is "fair, generous, safe and orderly."

But the main focus of his remarks was trade.

Arguing for freer trade throughout the Americas, Mr. Clinton said U.S.-Mexico trade has increased 60 percent since NAFTA tore down trade barriers in 1994. He was supported by Mr. Zedillo, who said in a speech before Mr. Clinton's, "free trade opens fertile pathways."

■ Opposition Gets 15 Minutes

Sam Dillon of The New York Times reported earlier from Mexico City:

Mr. Clinton on Tuesday became the first president of the United States to meet with the leaders of Mexico's main opposition parties, a move that seemed to recognize their legitimacy as an alternative to the Institutional Revolutionary Party that has run Mexico for decades.

Gregory Bull/The Associated Press

An anti-American protester being swarmed by police officers outside the U.S. Embassy in Mexico City. Thousands of police have been deployed in the capital to prevent demonstrations during Mr. Clinton's visit.

Mr. Clinton's gesture aroused mixed reactions. Some academics and historians characterized his two 15-minute encounters Tuesday evening with the opposition leaders as a political landmark. Others called it window dressing on what they said amounted to a campaign swing in favor of President Zedillo's party two months before nationwide elections July 6, in which the party could confront its most serious electoral challenge.

"It's regrettable that as Mexico faces the most crucial elections in our modern history, President Clinton only has half an hour to spend with the opposition," said Enrique Krauze, a historian here.

"The United States has spent 70 years being friendly with the PRI. It was the moment to invest more time with the opposition."

Mr. Clinton met the heads of Mexico's three main parties: Andres Manuel Lopez Obrador of the leftist Party of the Democratic Revolution, Felipe Calderon of the National Action Party, known as the PAN, and Humberto Roque Villanueva of the governing PRI.

Immediately after Mr. Clinton met with Mr. Calderon, and was shaking hands with Mr. Lopez Obrador, a reporter asked him why he was meeting with the opposition leaders.

"We support the political reform process in Mexico," he said. "I do this in other countries I visit — Russia, Israel. I thought it was important."

France Seeks To Prosecute 6 Libya Agents In Plane Bomb

By Craig R. Whitney
New York Times Service

PARIS — French anti-terrorism investigators said Wednesday that they had asked a court to try the brother-in-law of the Libyan leader, Colonel Moammar Gadhafi, and five other Libyan operatives in absentia next year on charges of blowing up a French airliner and killing 171 people over the African desert in 1989.

The principal investigating magistrate in the case, Jean-Louis Bruguiere, had previously accused Abdallah Senoussi, Colonel Gadhafi's brother-in-law who was then the number two Libyan secret service official, and three other alleged Libyan agents of blowing up a DC-10 plane of the since-defunct airline UTA.

Investigators said they believed Mr. Senoussi ordered the strike to retaliate against France for using its troops to keep Libya out of Chad.

Judge Bruguiere's final report asked prosecutors to try Mr. Senoussi, two of the three other men who were charged earlier, and two additional Libyan intelligence officials on the evidence he has gathered against them, officials said.

That evidence includes confidential documents that instructed Libyan agents to plan a strike against France, investigators said. It also includes testimony from a Congolese witness who told investigators that Libyan operatives had paid a friend to take Flight UT-772 from Brazzaville, Congo, to Paris with a Samsonite suitcase containing a bomb.

The friend was supposed to disembark at an intermediate stop, but was not allowed to and died with the rest of the passengers when the plane exploded high over Niger. Among debris scattered in the desert, French investigators said, was a fragment of a Samsonite suitcase bearing traces of Pentrite explosive.

French officials said Judge Bruguiere believed that Colonel Gadhafi may have decided to sacrifice those responsible for the bombing because he had since concluded that terrorism was counterproductive, and because the defendants would not be extradited to France, but tried here in absentia, probably next year.

Besides Mr. Senoussi, the accused are Abdesslam Hamouda, one of his close aides; Ibrahim Naeli and Musbah Arbas, alleged Libyan operatives in the Congo; Abdallah Elazragh, a former counselor in the Libyan Embassy in Brazzaville; and Abdesslam Issa Shibani, a colonel in the Libyan intelligence service.

France has settled for a trial in absentia, judicial officials said, because it would establish the truth even if it did not lead to jail sentences. If convicted, the defendants would be forced by international arrest warrants to spend the rest of their lives in Libya.

Bern 'Welcomes' U.S. Report on Nazi Gold

Reuters

BERN — Switzerland welcomed a U.S. report on Wednesday criticizing Swiss gold transactions with Nazi Germany as a contribution to clearing up the country's World War II history.

But Foreign Minister Flavio Cotti said in a statement that the report appeared to lack historical context about the difficult circumstances Switzerland faced as a small neutral country surrounded by Axis powers during the war.

"The Federal Council welcomes the efforts of those responsible for the report to present facts objectively," Mr. Cotti said. "But on first reading, it finds lacking an appropriate appreciation of the extremely difficult situation in which our country found itself at that time militarily and in terms of supplies."

He said the report confirmed figures about gold transactions that the Swiss central bank and historians had already aired, but noted it also suggested Germany sold Switzerland gold robbed from individual Holocaust victims, not just official stocks.

"If this is really true, this a deeply shocking turn of events," Mr. Cotti said. "It is nearly incomprehensible for us to see the cynicism and coldbloodedness with which Nazi thugs resmelted their victims' gold and re-sold it as regular central bank gold." He said Swiss central bankers had been unaware of this.

Mr. Cotti said the report gave Switzerland credit for taking steps to probe its wartime history and called on countries to work together to investigate the past.

"We want the truth and justice," he said.

Bonn Plans to Stop Pensions for War Criminals

The Associated Press

BONN — Responding to bitter complaints by a prominent U.S. Jewish group, Germany said Wednesday it planned to prevent pension payments to Nazi war criminals but insisted that it was not neglecting Holocaust survivors.

Germany has acknowledged that current laws are insufficient to keep war criminals from receiving federal disability payments. Friedrich Bohl, the chief aide to Chancellor Helmut Kohl, said that the German government and Parliament were examining ways to "exclude war criminals from drawing war victim pensions."

Mr. Bohl made the announcement in a four-page statement responding to the American Jewish Committee, which said that while members of the Waffen SS had been getting pensions, many Holocaust survivors in the former Soviet bloc had received no compensation.

Holocaust survivors in Israel, the United States and elsewhere in the West have been paid a total of nearly 100 billion Deutsche marks ($59 billion) by Bonn.

But the Iron Curtain kept compensation from flowing into the Soviet bloc. With the end of the Cold War, Jewish organizations say it is time to compensate those Holocaust victims, whose number has been estimated at up to 20,000.

ZAIRE: *Is Mobutu's Departure Final?*

Continued from Page 1

African heads of state, all friends of Marshal Mobutu's, are expected to travel to Libreville.

A French Foreign Ministry spokesman, Jacques Rummelhardt, said the "French and Americans are pursuing the same objective" in Zaire, which he said was "a peaceful end to this crisis."

He was speaking before the arrival in Paris on Wednesday night of Bill Richardson, the U.S. special envoy to Zaire.

In a week of shuttle diplomacy in Africa, Mr. Richardson delivered a letter to Marshal Mobutu from President Bill Clinton urging the Zairian leader to remove himself from the political scene. The envoy is also believed to have pressured Mr. Kabila to slow his advance on Kinshasa to allow Marshal Mobutu a peaceful exit.

Others, however, said that France, which has had strongly antagonistic relations with Mr. Kabila since the start of his rebellion, would encourage Marshal Mobutu to return to Zaire to resume negotiations with Mr. Kabila.

Speaking in Luanda, the Angolan capital, Vice President Thabo Mbeki of South Africa said Wednesday that talks between the two men would resume Wednesday aboard a South African warship.

"The French would like Mobutu to return and raise the stakes in the negotiations with Kabila," said Guillaume Ngefa Atondoko, a Zairian human rights advocate.

"The only problem is that the lives of the people of Kinshasa are Mobutu's last card. We are his only shield against the rebels."

In fact, diplomats, aviation experts and humanitarian relief workers say that at the town of Kenge, 190 kilometers (120 miles) east of Kinshasa, government forces since Monday have waged perhaps their fiercest battle against the rebels in the nearly seven-month war.

One regional military analyst said that despite a setback for government forces in Kenge, their last major defensive position before the capital, Mr. Kabila's fighters were still at least a week away from taking Kinshasa by force, if they intend to enter the city in large numbers.

Asked how the remnants of Marshal Mobutu's army felt about its chances of maintaining control over Kinshasa for long, a Western diplomat said: "From what I can detect, morale is below zero. Need I say more?"

SWISS: *U.S. Report Condemns Gold Deals*

Continued from Page 1

etary gold" that Switzerland accepted from the Nazis had been intermingled with jewelry and gold teeth fillings stolen from Holocaust victims, some of it apparently removed from their remains at the concentration camps. Most of those gold bars, which represented less than a fifth of American estimates of the plunder that Switzerland held at the war's end, were long ago returned to a dozen or so governments. But $70 million remains in the Federal Reserve Bank in Manhattan and at the Bank of England, and Washington is pressing to use that gold as a compensation fund for Holocaust survivors and the heirs of victims.

- American negotiators attempting to get Switzerland to return at least some of the assets looted by the Nazis so distrusted Swiss officials in 1946 that they intercepted and decoded cable traffic between the Swiss Embassy in Washington and Swiss officials in Bern.
- The Swiss communicated among themselves using a German "Enigma" encoding device and did not know that the United States had broken similar codes during the war.

Despite the intercepts, the report is harshly critical of the Truman administration's failure to negotiate a better deal with Switzerland and failing to enforce the accord, known as the Washington Agreement. It notes that the State Department, acting over the objections of the Treasury, made a major mistake in unfreezing Swiss assets in the United States, meaning that "most leverage was lost before Switzerland had met its obligations."

"Wartime objectives were replaced by the need to rebuild an integrated postwar Europe and then by new Cold War imperatives," Stuart Eizenstat, the undersecretary of commerce who headed the probe into government records, wrote in an introduction to the report. "Putting a democratic West Germany on its feet and strengthening its economy took priority over denying it access to German assets in neutral countries."

Switzerland and its bankers knew during World War II that the Reichsbank, the German central bank, was virtually broke and that the "vast sums of looted gold" flowing through Swiss banks had been stolen. But the report finds "most inexplicable" Switzerland's extraordinary efforts to protect Nazi assets after Germany's defeat, and it cites intelligence reports suggesting that the Nazis had planted officials in the Swiss banks. In recent months, major Swiss banks have established a $180 million fund for victims of the Nazis and their heirs, but that is a tiny fraction of assets Switzerland is believed to have retained, now worth billions.

The study concludes that particular attention should be paid today to the plight of Holocaust victims who remained in Eastern Europe and were not compensated because they lived for decades under Communist governments. "The 'double victims,' those trapped behind the Iron Curtain after the war, have essentially received nothing," Mr. Eizenstat concluded.

Criticizing the weakness of the U.S. efforts at the time, the study said, "There was a demonstrable lack of senior-level support for a tough U.S. negotiating position with the neutrals," including Switzerland.

It said the United States would explore the idea of an international conference on the flow of Nazi assets after the war and said it would be important to have German Reichsbank records available to trace them. Britain's new Labour government offered Tuesday to host such a conference, and Switzerland welcomed the idea.

WELFARE: *Big Decline in Milwaukee*

Continued from Page 1

already low. Still, the mere absence of obvious calamity is being seen in some quarters as a reason for optimism — a first, tentative suggestion that as welfare restrictions sweep the cities, many poor families will find ways to adapt.

"It's too early to declare victory, but the initial outcome is encouraging," said Mayor John Norquist, a Democrat who occupies a middle ground between Mr. Thompson, the Republican governor who designed the new system, and local critics who have called it "genocide."

"Most people have underestimated the abilities of welfare recipients to work and care for their families," Mr. Norquist said.

Milwaukee is capturing unusual attention, both across the country and abroad, because it is the first city to enforce the kind of strict rules envisioned by the landmark federal welfare law that President Bill Clinton signed in August.

Milwaukee's experiment began in March 1996, when the state imposed three new programs: One tries to divert new applicants from the rolls. A second requires welfare recipients to work 35 hours a week for their benefits. The third aims to change the behavior of bureaucrats, not poor people, by privatizing many job-placement services and rewarding the most successful agencies.

The welfare rolls, which were already declining, suddenly went into a free fall. Statewide, Wisconsin's rolls have dropped nearly 60 percent from their peak a decade ago, and nearly half of the state's counties have cut their rolls by an astonishing 80 percent or more.

But the caseload reductions are most surprising in Milwaukee, the 17th-largest U.S. city, with a 1994 population of 617,044. The city grapples with the concentrated poverty that bedevils other urban cores. A full 60 percent of the state's welfare recipients reside within the city limits, and their experiences have run the gamut.

Marla Spencer overcame her fear of rejection and landed her first job in a decade, folding sheets in a commercial laundry for $5.25 an hour. "My whole family's happy," she said, "and I'm the happiest of them all."

Toni Rogers landed in the state work program, quarreled with her boss and lost her benefits and her apartment. "She tried to talk to me like I was a dog or something — dehumanize me and stuff," she said one night in a homeless shelter over a plate of cold spaghetti.

Angela Engel bounced between work and welfare, finding neither a happy solution. Her last job, at a press that prints adult magazines, left her watching color close-ups ripple down a conveyer belt all day.

"It was nasty," she said.

But after returning to welfare, Ms. Engel found herself back on an assembly line, working for her benefits and being pushed to leave the rolls. "That's what they're pressuring you to do — take anything, just to stay out of the system."

Ms. Engel's analysis is apt. Wisconsin's drive to reduce its rolls is in part a preparation for an even bolder experiment. In September, it will abolish cash assistance altogether and replace it with a more costly system of subsidized jobs for the needy. To keep that program affordable, the state needs to keep the number of participants low.

So far, the Milwaukee experiment has proceeded under conditions that are nearly ideal. The city's economy is strong, with an unemployment rate of just 5.7 percent. And the state invested an additional $10 million last year in day care and case mangers for those in the work program, which was more than offset by nearly $30 million in caseload reductions.

PENTAGON: *Wide Cutbacks Planned*

Continued from Page 1

submarines, officials said. Mr. Cohen also has decided to scale back planned purchases of the air force's new F-22 fighter, from 438 to 339, and the navy's F/A-18E/F plane, from 1,000 to no more than 785.

Plans also call for reductions of about 70,000 military reservists, mostly in the National Guard, and 80,000 in the Defense Department's civilian work force.

Any attempt to trim the National Guard is likely to face fierce opposition from its powerful lobby in Washington and from more than two dozen state governors who rely on the reservists in all sorts of domestic emergencies.

Mr. Cohen's intention to seek two more rounds of base closings, in 1999 and 2001, is also certain to draw political fire on Capitol Hill.

With many congressional districts still recovering from the affects of four rounds since 1988 that shut 97 of the 495 major bases in the United States and realigned hundreds of others, some leading lawmakers already have signaled that they are in no mood to go through the process again soon.

Asked about congressional opposition, a Pentagon spokesman, Kenneth Bacon, said Tuesday that Mr. Cohen regarded the earlier rounds as having worked well and would favor re-establishing the unique process under which the closures were decided.

That process involved establishing an independent bipartisan panel. Its recommendations could only be approved or rejected in total, preventing any tinkering by the administration or Congress.

Congress will have to go through the same set of choices that the military has faced and decide whether to pay for unneeded bases or weapons" to make our troops more effective in battle," Mr. Bacon added.

The Pentagon indicated in 1995 at the end of the last round of closures that more would be necessary.

The 1995 round failed to go as far as initially planned after defense officials concluded that shutting a larger number of facilities was just too difficult and costly.

TRIAL: *Hague Tribunal Convicts Serb*

Continued from Page 1

long trial is an exception to the frustration the tribunal has endured in general since it began in 1994.

Only 75 indictments have been issued in the course of an investigation of the executions of tens of thousands of mostly Muslim civilians, and inhumane treatment of many more, during the war that ended with the Dayton peace accords in 1995. Of the accused, all but a handful are Serbs; only seven are in custody.

The most prominent two who are not — the former president of the Bosnian Serbs' republic, Radovan Karadzic, and its military leader, Ratko Mladic — are widely regarded as the principal architects of the ethnic extermination.

Despite the obligation of local governments and international forces to arrest them under the terms of the Dayton accords, Mr. Karadzic and Mr. Mladic are still free men, and Mr. Karadzic is reported still to exercise considerable political power.

"This is the major problem facing the tribunal and on which its success all depends," said Judge Goldstone. "To a very vitally important extent, the tribunal has been precluded, in my view through a lack of political will, from carrying out its primary mandate, which is to put these people on trial."

The appointment of Madeleine Albright, a champion of a permanent war crimes tribunal, as U.S. secretary of state raised the hopes of many human-rights observers that the United States would put fresh muscle and money behind the work of the tribunal.

But the uneasy peace reigning in the former Yugoslavia, and the scheduled withdrawal of U.S. forces from the international protection force maintaining it, continue to make arrests of accused war criminals an elusive prospect.

A Croat, Drazen Erdemovic, a former soldier for the Bosnian Serbs who confessed to killings, was sentenced to 10 years by the tribunal last November.

HONG KONG: *Wondering Whether China Will Sustain or Overrule Its Legal System*

Continued from Page 1

certainly some very strong threads of common law, some of which are preserved in the Basic Law," the mini-constitution that Beijing drafted for Hong Kong, said Gladys Li, one of the territory's most prominent barristers.

"For me," she said, "the fundamental underpinning of common law is a strong bias toward individual liberty and freedom."

China's decision earlier this year to revoke or revise a range of civil liberties laws, as well as provisions of the Bill of Rights, has not only shaken public confidence in the future but also unsettled the guardians of Hong Kong's common law.

Beijing has demanded revisions in the Bill of Rights — a law passed in 1991 urging, but not requiring, that all of Hong Kong's laws conform to the International Convention on Civil and Political Rights.

Beijing has also demanded the resurrection of colonial laws restricting the right to protest and the right to form political organizations.

"Can you have freedom of assembly and association, and still give power to the commissioner of police to restrict these rights?" asked Nihal Jayawickrama, a law professor at Hong Kong University who specializes in human rights law. "It's not very clear. What is clear is the intention of the Chinese authorities. They do not want the Bill of Rights to operate."

Under the colonial administration, laws did restrict public assembly and determine the legality of certain groups.

But with the transition to democratic politics in the 1980s and early 1990s, and in the shadow of the Tiananmen massacre of 1989, the legislature here revoked these laws and introduced sweeping guarantees of civil liberties.

Tsang Yok-sing, who heads the pro-Beijing Democratic Alliance for the Betterment of Hong Kong and whom China appointed to the Provisional Legislature, argues that the laws on civil rights must be revised.

"Laws relating to civil liberties always try to strike a balance between the power of the government and the rights of the individual," he wrote in a recent newspaper article. "The balance most acceptable to society may shift from time to time, hence the need for revising laws."

If there is one impression that Hong Kong residents have of China it is of corruption. Some 55 percent believe corruption will become more common under Chinese rule, according to a recent poll.

"Basic freedoms and economic success go hand in hand," said Christopher Chan, the president of the Law Society, which represents the territory's solicitors. "The infiltration of Chinese corruption would destroy that."

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Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Helping Zaire

As Laurent Kabila and his guerrilla army close in on Zaire's capital and victory, the outside world has an important role to play.

Western and African governments helped to persuade Zaire's dictator of more than 30 years, Mobutu Sese Seko, to announce he would leave for Gabon Wednesday, thus reducing the possibility of bloodshed during the last days of the guerrilla campaign. But his departure probably means that Mr. Kabila will take power alone and unchecked. African and world leaders must press him to govern democratically.

Mr. Kabila has no governing experience or record, having spent the last few decades as a small-town warlord, gold smuggler and guerrilla fighter. While he has said he backs multiparty democracy, he permits no political opposition and has wavered on whether he will include Zaire's civilian politicians in his government. Relief workers accuse Mr. Kabila's troops, who are largely Tutsi, of the massacre of Rwandan Hutu refugees.

Mr. Kabila is mainly listening to the leaders of neighboring countries, which Marshal Mobutu sought to destabilize by aiding guerrilla groups. The leaders of Rwanda, Uganda and Angola are using Mr. Kabila to retaliate.

Rwandan Tutsi forces in Mr. Kabila's army may be responsible for the killing of the Hutu refugees.

Bill Richardson, America's UN delegate and envoy to the conflict, has asked these African leaders to counsel Mr. Kabila to govern democratically. It is unlikely they will do so, since they rule undemocratically themselves. Even Yoweri Museveni in Uganda, who wins Western support for his free-market reforms, maintains a one-party state.

Zaire has a relatively healthy civil society. There is political opposition to Marshal Mobutu, and human rights and other civic groups exist. Mr. Kabila considers these citizens enemy collaborators. Instead of shunning them he should include them in his government, and call elections soon.

Few people are in a position to counter the role of Zaire's neighbors. Nelson Mandela and other top South African officials encouraged talks between Marshal Mobutu and Mr. Kabila. But Mr. Mandela's influence is no match for that of other African leaders who have armed Mr. Kabila.

The West supported Marshal Mobutu for decades as a Cold War ally. France has done its best in recent months to keep him in power. President Bill Clinton played a more positive role, encouraging elections, but was slow to disengage with Marshal Mobutu and has failed to take steps to freeze money in foreign banks that the dictator looted from Zaire.

Mr. Kabila will need Western financial support to stabilize Zaire.

Ambassador Richardson has set tolerance and democracy as conditions for assistance. After its long support for Marshal Mobutu and his despotic ways, that is the least Washington can do for Zaire.

—THE NEW YORK TIMES.

Dollars and Cents

You might think, given the new heights the U.S. stock market scales each day, that wisdom would argue for leaving well enough alone — that is, for leaving the market to its irrational exuberance and the less said the better.

In fact, though, a modest but important reform could save investors money — no matter which way the market goes — while making transactions easier for everyone to understand. A bill introduced by Republican Representative Mike Oxley, chairman of a House Commerce subcommittee, and by the ranking Democrat on the subcommittee, Representative Ed Markey, would instruct the stock market to begin pricing shares in — get ready for this — dollars and cents.

Not exactly a radical idea, you say? You wouldn't think so. But at the moment, stocks in the United States are priced in dollars and eighths of dollars; a given stock quotation might be 37¼, up five-eighths. This quaint system is said to date from the 18th century, when traders would cut Spanish dollars into eight pieces, or bits, and use them to buy stocks and bonds.

The trouble with this system, besides its unwieldiness, is that it costs investors a lot of money. The businesses that trade in stocks charge a small amount for every transaction, and right now the smallest possible such "spread" is one-eighth of a dollar, or 12.5 cents, per share. If stocks were priced more like tomatoes or washing machines or just about anything else in the economy, competitive forces might push the markup down to a dime or a nickel or even less. According to Steven M. H. Wallman, a member of the Securities and Exchange Commission who's been pushing for decimalization, investors could end up saving $5 billion to $10 billion per year. And investors in stocks these days aren't just a few fat cats; they are pension funds and mutual funds holding the money of millions of Americans.

For just the same reason, Wall Street firms have resisted the change; those billions would come out of their pockets. In the end, though, increased clarity and transparency would be good for them, too; it might even increase total trading. And change is coming in any event. Reforms promoted by Arthur Levitt Jr., the SEC chairman, already have brought new competitive pressures to bear that are now prompting some traders to offer deals in sixteenths, thirty-seconds and even sixty-fourths of a dollar. Mr. Levitt believes that market forces now will — and should — force Wall Street to convert to dollars and cents.

We hope he's right. In the meantime, a nudge from Congress couldn't hurt.

—THE WASHINGTON POST.

Don't Make a Deal

We keep wondering: What is the point, the wisdom — even the morality — of negotiating just now with the tobacco industry? The industry is having to play some serious defense. The law has finally turned, or is in the process of turning, against it. There will be some hiccups and exceptions to the process, as occurred the other day in a lawsuit against one of the companies in Florida. But those don't change the trend.

The trend is why the industry is at the bargaining table. For years it denied what it knew to be true about the product it was so assiduously marketing. The denial is in shreds. Strip away the niceties, and what the cigarette people are saying is: Yes, it's true, we wittingly sold for generations at enormous profit a product that does vast harm, and having been pretty much caught, we're now willing to deal. The outline of the deal is that they will submit to regulation and put up a sum of money to pay claims but want their liability limited.

But the government already has the power to impose the regulations — treat tobacco as the addictive and harmful substance it plainly is. So a court has lately ruled; the Food and Drug Administration can do its thing. For the first time the government also seems to have the necessary will to do what it long ago should have done. For that, this administration deserves enormous credit. What's to negotiate? If the stuff is bad and within the jurisdiction of the agency, the agency has the duty to attempt to limit its potency and use.

The same is true of liability. If in fact the companies are liable, as seems likely, who has the right to negotiate away the ability of future plaintiffs to take them to court, and to be compensated? The state attorneys general who are currently negotiating with the companies are entitled to do so. They filed lawsuits to recover health care and other costs their states incurred associated with smoking. But what writ have they then to work out, bless and join in submitting to Congress an agreement that would limit the right of others to do the same thing?

Maybe at some point it will be in the public interest to cut a deal with the companies. But not now. They seek protection they do not deserve from a blow that they have yet to feel. Why give it to them?

—THE WASHINGTON POST.

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In Pyongyang, the Regime Is Alive and Kicking

By Mike Chinoy

PYONGYANG, North Korea — Goose-stepping smartly, the troops marched in endless rows with clockwork precision, the bayonets of their rifles glinting in the spring sun. The roar of fireworks mingled with the strains of martial music from the army band. Hundreds of thousands of people who had been mobilized earlier in the day waved identical bouquets of plastic flowers, turning the square into an undulating sea of red.

The roar of the crowd grew to a crescendo. As a bespectacled, middle-aged man walked briskly to a reviewing stand overlooking the square, men and women wept with evident excitement. Kim Jong Il acknowledged the carefully orchestrated acclaim from the enormous throng.

It was a rare public appearance for the reclusive North Korean leader, and the first time he had ever been seen, and photographed, by Western journalists. Despite numerous questions about his personality and hold on power, Mr. Kim seemed healthy, relaxed, confident and very much in charge.

The occasion, on April 25, was to honor the founding of the North Korean People's Army by Mr. Kim's father, the late President Kim Il Sung. By staging one of the biggest military parades in recent years, the younger Kim appeared to be sending a signal to the United States, South Korea and the rest of the world: North Korea may be hungry and poor, but it remains proud and tough, and those who expect its system to collapse are wrong.

The elaborately choreographed event, and the decision to allow CNN to record it, came at a time of heightened tensions on the Korean Peninsula. A few days before, Hwang Jang Yop, a long-time member of the North Korean inner circle, had completed his journey of defection by arriving in Seoul. There he announced that North Korea had an arsenal of nuclear and chemical weapons capable of "scorching" both South Korea and Japan. He warned that Pyongyang had not abandoned its ambition to reunify the Korean Peninsula by force.

Mr. Hwang's arrival coincided with a deadlock in efforts to convince North Korea to participate in negotiations proposed by the United States and South Korea to replace the current Korean armistice with a formal peace treaty. And there were new indications that the food shortages that have wracked North Korea in recent years were producing near-famine conditions.

Yet North Korean officials emphasized that the country's difficulties had not threatened its political leadership or its determination to drive the toughest possible bargain in its international diplomacy.

Much of the propaganda surrounding the Army Day celebrations carried a distinctly angry tone toward the United States. The night before the parade, North Korean television showed pictures of Mr. Kim visiting a museum near the Demilitarized Zone where he gazed admiringly at a display containing the ax used by North Korean troops to kill two U.S. servicemen in a notorious incident at the DMZ in 1976. The television also broadcast shots of Mr. Kim visiting the U.S. Navy ship Pueblo, which the North Koreans seized in 1968, holding the crew for 11 months. And it showed pictures of the capture of the American helicopter pilot Bobby Hall, whose aircraft was shot down after it strayed into the North in 1995.

In his Army Day speech, Chief of Staff Kim Yong Chun spoke in defiant terms in addressing North Korea's longtime adversaries: "If the enemy ignites a war on this land, our People's Army will first annihilate the U.S. imperialist aggressors and then smash the South Korean puppets and their followers," he said.

The harsh language reflected what appears to be increasing frustration and doubt within the North Korean leadership, especially the military, over the value and benefits of diplomatic dealings with the United States. North Korean officials told us that there was a growing sense that what Pyongyang viewed as major concessions — from agreeing to sign a 1994 accord with Washington to curb its nuclear program, to apologizing for September's submarine incursion along the South Korean coast, to attending preliminary talks on the U.S. and South Korean proposal for peace talks — had produced few visible benefits.

Army Day celebrations carried a distinctly angry tone toward the United States.

North Korean officials said that Pyongyang now insists that Washington meet three conditions for North Korea to join the proposed peace talks: an end to the U.S. economic embargo of the North; American diplomatic recognition of the Pyongyang regime, and an offer of significantly more food aid than the United States has so far been willing to provide. One official said that there was no change in Pyongyang's interest in better relations with Washington, but he added that it was "time for the United States to take more action to improve relations."

The evident hardening of North Korea's diplomatic line is a blow to the United States, which has sought to coax Pyongyang into joining the proposed four-party peace talks with South Korea and China. "It seems odd that they would want to play up the military," a State Department official said. "Our proposal to enter into talks contained the implication that many other problems could be solved through this mechanism."

U.S. officials believe the North Korean leadership may be divided on the issue. "I sense some division, even confusion, in Pyongyang on the four-party talks," said one. "The military may be more conservative and very mistrustful. They are the ones who could see the biggest change in their status in any permanent peace agreement."

U.S. officials suspect that differences exist in Pyongyang over how best to obtain urgently needed food aid, as well as on the broader issue of whether conciliation and cautious opening or a continuing tough line will best ensure the country's survival.

For a society that has prided itself for half a century on its self-reliance, pleading for international aid has been particularly painful. But with international relief agencies warning that millions of people could be at risk of malnutrition or death in the coming months, North Korea has renewed its appeal for large-scale help.

Yet in Pyongyang, there were no easily visible signs of hunger or discernible sense of political or social tension. The fact that people in the nearby countryside were desperately short of food seemed distant and remote.

In political terms, that may well be the case. Just as millions of people in China starved to death during the Great Leap Forward in the 1950s while Mao Zedong's socialist system survived intact, the overriding impression I gained was that the suffering and deprivation among many ordinary North Koreans does not for the moment present a mortal threat to the regime in Pyongyang.

The writer, who has visited North Korea nine times since 1989, is CNN's bureau chief in Hong Kong. He contributed this comment to the International Herald Tribune.

Blair's Success Reverberates Loudly in France and Germany

By William Pfaff

PARIS — The victory of Tony Blair and his "New Labour" Party in Britain is having a large impact elsewhere, among conservatives in Europe as well as among politicians on the left who want to hitch their own parties to what they would like to think the bandwagon of "new socialism."

The French and Germans have particular reason to pay attention to what happened in Britain. France has just entered a national election campaign, after President Jacques Chirac's unexpected dissolution of Parliament April 21. Elections are set for May 25, with a second round June 1 in districts where no one gets more than 50 percent.

Germany must hold a national election within the next 16 months. Chancellor Helmut Kohl says that he will again be a candidate — he has already been in office more than 14 years — so as to lead his country into a single European currency in 1999. The opposition seemed to have some plausible hope of defeating him even before New Labour's success stirred the German Social Democrats from their recent torpor.

The Social Democratic Party has until now opposed the chancellor's austerity program and attempt to open the depressed German economy to a greater play of market forces on rather sterile doctrinal grounds. It would admit no serious restrictions on social programs and had broken off reform negotiations with Mr. Kohl.

But at the beginning of this week the SDP's parliamentary leader, Rudolf Scharping, announced that he was ready to resume discussions.

His rival for leadership, Gerhard Schröder, who has emphasized dialogue and compromise, now benefits from the example of British Labour's victory.

In France, the man who heads the free-market wing of the conservative coalition, former Finance Minister Alain Madelin, already has claimed Tony Blair as "objectively" a Madelin ally. (Mr. Madelin became a former minister last year because he was more enthusiastic about market solutions than either Prime Minister Alain Juppé or President Chirac.)

"If you were to bring even a quarter of Tony Blair's program to France you would be called a market *ultra*," or extremist, Mr. Madelin writes; he then quotes "a Socialist leader" as admitting that "if Tony Blair were to advocate even a quarter of the French Socialists' program, he would be taken as a dangerous leftist."

This is polemical good fun, but there is considerable truth in it, so far as economic policy itself is concerned. It would not be true on social issues.

It also disregards the established political culture of the two countries. The French electorate has an old and enduring commitment to state economic intervention, and considers the state the custodian of the nation's economic well-being. The highest social status in France still belongs to the high civil servant — the "grand commis de l'Etat," implicitly considered custodian of the national interest and well-being. There has been nothing like this in Britain since Margaret Thatcher became prime minister in 1979.

French attitudes may be changing today, but they have not yet changed that much. The latest in the rain of public opinion polls accompanying the electoral campaign says that while 47 percent of the public now favors market policies, 41 percent still wants a social democratic approach to the economy.

The Chirac presidency has thus far offered only modest and erratic market reform, and its attempts to privatize groups still in the public sector have been maladroit and largely unsuccessful. Another poll says that the majority of prospective French voters condemn the government's economic management; three-quarters hold a negative opinion of its social policy, and two-thirds make a negative moral judgment on its conduct — a reference to financial and other scandals.

The conservatives say they will do better next time. Mr. Chirac says that he called the election precisely because his troops need a new mandate for reform and privatization, and a "new élan." One eminent if unnameable critic of Mr. Chirac's, among the conservative establishment, remarks that he does not see "how a new élan comes from losing a third of your parliamentary majority."

Mr. Chirac will be lucky if it is only a third that he loses, on early campaign trends. These unexpectedly show the left overtaking the right in expressed voting intentions. The number of those without a formed opinion (a third of those consulted) or avowedly prepared to change their minds (a fifth) remains very high. But the fat lady definitely has not sung.

Moreover, the left benefits from the fact that 14 years of François Mitterrand's presidency stripped the Socialists of doctrine as well as principles. They have had little choice but to be modest and defensive in their precampaign policy proposals, and in tricky policy areas their intentions are still murky, no doubt to themselves as well as to others. The Blair success will certainly influence how the Socialist campaign develops. It will also influence how a very disabused electorate votes.

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Though More Influential, China's Army Is Still Handicapped

By Ellis Joffe

JERUSALEM — The recent development of the Chinese army has not followed a single track. Its political influence and military capability have grown substantially, but other trends have limited this increase. The result is uncertainty about the army's future actions.

One uncertainty stems from the political scene, where the army's influence grew as Deng Xiaoping faded away and is now stronger than ever. The chief reason is the stature of Mr. Deng's successor. While Mr. Deng could rely on the support of the military in any situation due to his personal authority, Jiang Zemin has no individual standing in the armed forces and thus does not enjoy their unswerving allegiance. Because of this weakness, Mr. Jiang, as China's president, is much more dependent on the military for political backing than Mr. Deng had ever been. In fact, his political survival depends on it. This would appear to give the armed forces the dominant voice in policy-making at the highest level of government.

However, their influence is limited: first, by the formal power held by the top leaders; Mr. Jiang has filled senior positions in the armed forces with his supporters. Second, the army's influence is limited by the tradition of military subordination to the political leadership, which, together with the inherent discipline of the Chinese armed forces and their professionalism, tends to ensure their support for the established leadership unless there is a major challenge or national crisis.

The influence of the armed forces is naturally strongest on issues of national security due to Mr. Jiang's questionable authority and lack of military qualifications, in contrast to the seniority and professionalism of army commanders. Of foremost concern to these commanders is the Taiwan issue, since it might involve their forces in military action and even cause a confrontation with the United States. Underpinning their concern is the self-image of the military as chief guardian of China's sovereignty and national honor. This is highlighted by widespread sentiment in the armed forces that Mr. Jiang has yet to prove his nationalistic firmness against U.S.-backed encroachments.

This does not mean that the military is in the forefront of hard-line leadership elements advocating confrontation over Taiwan. For one thing, Chinese commanders in the past sent troops into battle only when they calculated that success was assured and that there was minimal risk of escalation — two critical elements that clearly do not exist in the Taiwan situation. For another, they are acutely aware of the awesome destructive power possessed by the United States, and of their complete inferiority. Finally, there is no evidence from the crisis over Taiwan in 1995 and 1996 that army chiefs advocated military operations opposed by the civilian leadership or, more importantly, that seriously risked a face-off with the United States.

Commanders are well aware of their complete inferiority vis-à-vis the U.S.

But these restraints are qualified. If the Taiwan government makes a major move toward independence, or if China's neighbors infringe on what the Chinese define as their sovereignty, the army is likely to support military action. In such situations, particularly over Taiwan, the political and military leaderships will come together in a nationalistic drive to protect China's sovereignty even by force — despite the risk of U.S. intervention. From their vantage point, such action might seem preferable, despite the risks, to no action at all — the costs of which are unacceptable in terms of their vision of China's rightful role in the region and the world.

This leads to the second uncertainty: the army's capability to undertake military operations. In the early 1990s, the Chinese armed forces embarked on an accelerated program of modernization and have pursued it in a comprehensive and sustained fashion. They closed the long-standing gap between doctrine and operations, and have focused on preparations for realistic contingencies. They have upgraded their rapid deployment forces, air force and navy by buying small quantities of new weapons from Russia, mainly modern aircraft, submarines and air defense systems. They have improved their logistics, force structures, training procedures and joint service operations. And they are increasing and refining their missile delivery systems.

But the Chinese armed forces continue to suffer from major deficiencies. Aside from select sectors, their weapons and equipment still lag up to 20 years behind the most modern military hardware. They are only beginning to develop a capacity for large-scale sustained operations far from home bases, and are incapable of launching an all-out invasion of Taiwan. They are weak in intelligence-gathering, reconnaissance, communications and advance warning systems. The educational level of most troops is questionable, as is their ability to maintain and employ modern weapons. Moreover, it is not clear how far the army's economic ventures have eroded its professional standards.

China will gradually rectify these deficiencies and build forces commensurate with its long-term aim of gaining a preeminent status in East Asia and a pivotal global role. But it will take many years, and even then China will not automatically become a blanket threat to the region, since military deployments will depend on the leadership's political intentions and strategic calculations.

Meanwhile, the army's capability is improving but limited. Its professional commanders know this and will exercise great caution before launching major operations that might overextend their forces or elicit a U.S. response.

But if the commanders see China as intolerably provoked, rational calculations will most likely give way to nationalistic impulses. In that event, military inferiority will not prevent action — despite the dangers.

The writer, professor of Chinese studies at the Hebrew University of Jerusalem, contributed this comment to the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Flying Machine

NASHVILLE, Texas — After innumerable hoaxes and disappointments, a *bonafide* airship was sent up to-day [May 7] at the Nashville Centennial Exhibition in the presence of thousands of spectators. Professor A. P. Barnard is the inventor. The ship seemed to be an egg-shaped ball, to which was attached a wicker car. From this basket protruded a shaft to the front, upon which rapidly revolved a canvas wheel built after the fashion of a propeller. This was operated by the sole occupant of the craft, who straddled a saddle and worked with his hands and feet crank handles and pedal gearing very similar to a bicycle.

1922: College Brawn

PARIS — Princeton, Harvard and Yale have decided to put scholarship above athletics. The first-named university recently barred eighteen of its students from taking part in college sports. The reason is that they were receiving financial aid from university alumni. The practice of well-to-do alumni in sending young men to their university principally because they are stalwarts in the physical sense and may enhance its athletic fame has been found to be detrimental to its academic repute.

1947: French Captives

PARIS — At least 4,000 French prisoners of war are being held in captivity by the Russians in a camp three miles north of Stettin, in the Russian Zone of Germany, according to a French officer who escaped from this camp and arrived in Paris several days ago. The officer said that this camp is only one of about ten scattered throughout the Russian Zone, Poland and Russia proper.

OPINION/LETTERS

The Baltic States Deserve NATO's Protection

By William Safire

WASHINGTON — How many political heroes can *you name offhand* — people who put their principles ahead of their lives?

Wei Jingsheng is one, jailed for 14 years for daring to plaster freedom slogans on a Beijing wall, and now in jail again; Israel's Natan Sharansky and the Czech Republic's Vaclav Havel are two more who suffered in Communist jails, and now are leaders in their free countries.

Less well known is Lithuania's Vytautas Landsbergis, a soft-spoken music teacher who stood up to Mikhail Gorbachev's bully boys in 1990 to assert his nation's independence. That helped provide the lever to pry apart the Soviet empire.

Because the United States never recognized Stalin's deal with Hitler to take over the Baltic nations, it was able to support their declarations of independence. The Kremlin, facing the choice of sending in tanks or accepting the beginning of a breakup, backed off; then Ukraine and others followed the Baltics to freedom.

Mr. Landsbergis, now making a comeback in Lithuania, visited Washington recently to remind the United States not to put his nation in jeopardy again. As the debate begins here on the expansion of NATO to include former Soviet-dominated states, he calls on America not to forget the Baltics.

Why bring the nations of Eastern Europe into the North Atlantic Treaty Organization? (1) The alliance saved Western Europe from Soviet domination for a half-century. (2) Russia will rise again and — if history is any guide — will threaten again, which means (3) now is the moment to provide the most vulnerable nations the collective defense that makes targets less tempting.

That's the realpolitik reason for adding to the military alliance. A more positive purpose is to foster democracy and create bonds among peoples whose historic hostility and senseless savagery embroiled the United States in two wars this century.

The argument against bringing Eastern Europe under the West's umbrella beds down some unlikely fellows: on the right, Fortress-Americans who recall the old isolationist slogan "Who wants to die for Danzig?" and on the left, accommodationists who fear to upset Russia. One bunch forgets Hitler; the other forgets Stalin.

But President Bill Clinton remembers. His stalwart pursuit of an expanded alliance to deter potential aggression in coming decades, as well as to extend democracy, will go down in history as Mr. Clinton's Good Deed.

The Clinton administration has persevered in bringing NATO to the point of admitting Poland, Hungary and the Czech Republic (and maybe Slovenia and Romania). This achievement is worthy of ardent bipartisan backing.

Having choked out these words, let me add two caveats: First, Clinton diplomats have been too solicitous of the Russian reaction. For years opponents of NATO expansion told us how its prospect would breathe new political life into Moscow hard-liners; now that it looms, those hard-liners never had less backing at home.

But if, in eagerness for something soothing to sign with Boris Yeltsin in Paris on May 27, Mr. Clinton needlessly restrains the alliance's deployment of weapons and troops, he would throw away years of solid diplomacy. Next, what about the Baltics? If any nations deserve a piece of our collective security, it is Estonia, Latvia and Lithuania.

"NATO expansion poses no threat," says Mr. Landsbergis. "It is the Russian desire for the Baltic Sea that has always posed the threat, from Ivan the Terrible to Peter the Great to Molotov. Do not think of Lithuania as a bridge between East and West. We are part of the West."

I put his concern about second-class status to Al Gore. "We're not excluding any nation from consideration," the vice president said, treading carefully in diplomatic waters. "We're not including any item in current negotiations that would compromise consideration of other nations after the first group is invited in, nor including any item leading to 'second-class' membership."

Heroes like Mr. Landsbergis know what they believe in, and then take their stand. If superpower leaders knew and did the same, they could be heroic, too.

The New York Times.

See Under 'Shush!': A Library Bans Internet Smut

By Richard Cohen

WASHINGTON — In all my years, I have never heard of a youngster who died from pornography. Among other things, we want to keep it away from children — not always for their own sake, but sometimes because we are not any more prepared to answer their questions than they are to ask them. There is, as the Bible teaches, a time and a place for everything.

MEANWHILE

And that place is not the public library. There used to be a consensus on that but now, with the Internet, it is no more. In Florida's Orange County Public Library system, the chief librarian, Dorothy Field, has installed a Web filtering service so that patrons cannot view computer pornography. The upshot, aside from no more smut, has been a shout of protest from civil libertarians and librarians. Some of them have yelled "censorship."

Mary Sommerville of the American Library Association argues that the Internet should be unrestrictive — "just as we don't restrict what people read on our shelves." Judith Krug of the association's Office of Intellectual Freedom told me that there are better ways than filters to control the situation. In the first place, she said, filters are clumsy — blocking "sextons," "sex education" and anything else with the letters s-e-x in an effort to keep the screen squeaky clean.

That's a problem. But these critics would have to concede that Ms. Field had a problem of her own. Her system has 150 computers and many, if not all of them, are in plain view. Nonetheless, some library patrons — seekers of knowledge, no doubt — were viewing pornography right out in the open so that anyone who might be passing by would get an eyeful. Ms. Field was bothered by this.

What should she have done? To my mind, she did precisely as librarians have done since the first of them uttered the admonition "Shush!" She selected what she wanted on her electronic shelf and what she did not. Maybe, as the library association says, libraries don't restrict what people read on their shelves, but they most certainly restrict what they put on them. The virtue of the Internet is that it is virtually infinite. That does not mean, however, that everything on it ought to be viewed in a public library.

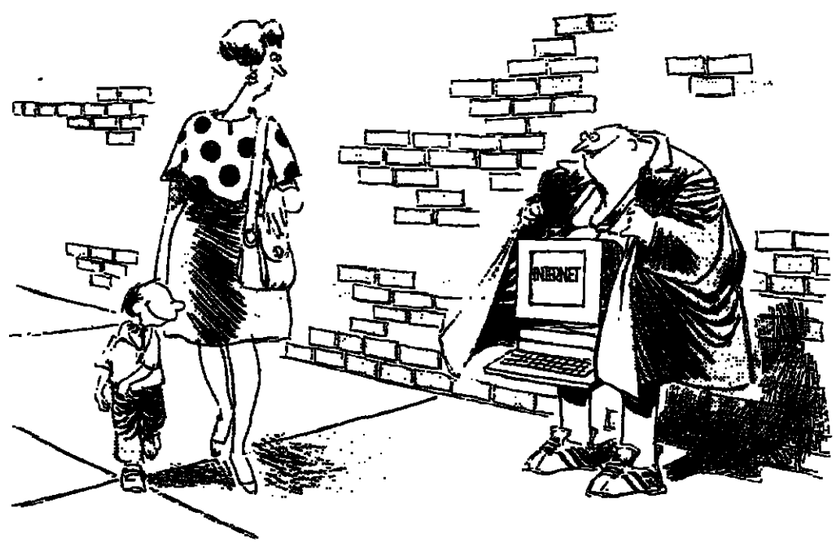
Where is the library that displays pornography? Where is the reading room where one can browse through Hustler or Foot Fetish Weekly? What library includes in its video tape collection the best of Linda Lovelace — and, if it had it, would make it available to any patron, including children? The Internet has all this stuff, and more. With no more than a click or two, there is nary a perversion that cannot be summoned to your screen.

It seems to me that a person ought to be able to go to the public library without encountering offensiveness on display. This is not the same as arguing that, for example, books about atheism ought to be banned from the shelves because the devout might be offended. In the first place, they don't have to open such books (although it would do them a world of good) and what is closed and on a shelf cannot be compared to what is dancing across a computer screen.

American society has always had filters of sorts. It has age limits for movies and has allowed pornography to be sold in certain places and not in others. It has placed warning labels on rock albums to give parents a hint of their content. Pornography does not kill and it probably doesn't even injure, but in America it is not — not yet, anyway — displayed openly.

It is always prudent to keep an eye out for the heavy hand of censorship. But choosing is not the same as censoring. This, it seems to me, is all that Dorothy Field was doing when she installed a filtering service on her computer system. As she has always done, she was making a choice. I have one word for her critics: Shush!

The Washington Post.



By WRIGHT in The Palm Beach (Florida) Post.

LETTERS TO THE EDITOR

A Beloved Spy

Regarding "At Hanoi's Insistence, the Spy Skips a Reunion" (April 29):

This article related how Pham Xuan An, a secret agent for the Viet Cong, was employed for almost 20 years by The Associated Press, Reuters and finally Time magazine in Saigon. All the while Mr. An had access to priceless American and South Vietnamese military information that he passed on to the Viet Cong.

Good for him. He was a North Vietnamese patriot and did a dangerous job well. But what about his gullible employers, the "best and the brightest" of America's press corps, whose highly critical reports from Vietnam did much to turn public opinion in the United States against the war? How much disinformation did Mr. An feed them? How much of the distorted and often untrue reports about the war disseminated by The New York Times, The Washington Post, Time and CBS were based on cleverly slanted innuendo planted by Mr. An?

STEPHEN KLEIN.
Munich.

Regarding the Communist spy beloved by reporters, one must ask: For how many American dead, maimed and missing was Mr. An responsible?

And regarding those American journalists who are so admiring of Mr. An: With or without intent, they gave information on American troop movements and were responsible for American deaths.

Mr. An may have indeed been a patriot, but then no one ever faulted the patriotism of Hitler and Stalin.

EDYTHE BANKS.
Paris.

Would these renowned reporters, full of praise for their Vietnamese colleague and upset that his government would not let him visit America, still want to be chummy with Mr. An if the double-agent duplicity they now laud had resulted in the death of their loved ones?

The bitterness that lingers in America over the loss of the war seems justified when one realizes that U.S. reporters were providing information (albeit unknowingly) to the enemy.

JOE URENECK.
Boston.

Teaching English

Regarding "Seoul's Language Cops: An Official Backlash Against English Tutors" (April 16):

In contrast to the assertions of this article, as an English teacher in Seoul, I have never earned — or heard of anyone else earning — $100 an hour, on or off the books. Teachers here make more like $15 an hour with housing, and are certainly not carrying around "suitcases of cash."

MICHAEL INGRAM.
Seoul.

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HEALTH/SCIENCE

TOMORROW LEISURE

Closing the Gender Gap at School

By Elaine Woo
Los Angeles Times Service

LOS ANGELES — Contradicting long-held assumptions about sex differences in academic achievement, the Educational Testing Service has released a study showing that there are almost no areas in which girls lag far behind boys.

The study examined the scores of 15 million students in the fourth, eighth and 12th grades on hundreds of standardized exams used by schools, as well as results from college placement exams such as the Scholastic Assessment Test. It found that boys and girls are fairly evenly matched in many important skills, including verbal reasoning, abstract reasoning, math computation and the social sciences.

"There is not a dominant picture of one gender excelling over the other and, in fact, the average performance difference across all subjects is essentially zero," the report said.

But girls had a moderate edge in short-term memory and perceptual speed, and larger advantages in language skills, especially writing. The superiority of girls in language ability has held up for 30 years and shows no signs of abating, according to the testing service's findings.

In contrast, the superiority of boys in math and science was found to be surprisingly slight, "significantly smaller than 30 years ago," the study found. The only areas in which boys showed a clear advantage was in mechanical and electronic ability and knowledge of subjects such as economics and history.

The four-year study by the Educational Testing Service gathered data from more than 400 tests and other measures and broke them down according to subsets of skills within a major subject. This produced findings that, ETS researchers said, help to debunk sweeping stereotypes about the intellectual strengths and weaknesses of women vs. men, such as that women are bad at math. In fact, the study shows that sex differences can cut both ways in a single subject.

In math, for instance, the study found that 12th-grade girls perform better in computation, while boys exhibited greater grasp of mathematical concepts. But in both areas, the study said, the difference was too slight to be considered significant. Similarly, the study found that girls are not stronger than boys in all language skills. Girls were found to be stronger in writing and the use of language, while boys were better at vocabulary and "reasoning" from reading.

"To say that girls are better in some subjects or boys are better in some subjects doesn't show the whole picture," said Nancy S. Cole, president of the Educational Testing Service.

The study found, however, that where significant gaps exist, they grow over time — with girls falling most sharply behind in the most difficult subject areas that prepare students for college. By the 12th grade, the study found, more boys than girls score at the highest levels in math and science.

The ETS has been the subject of legal attacks, most recently in a case mediated by the federal Office for Civil Rights in the U.S. Department of Education.

THAT agency announced last fall that the testing service and the College Board had agreed to add a new writing test to the PSAT — the Preliminary Scholastic Assessment Test — to eliminate bias against girls. The PSAT is used to help determine who gets hefty tuition awards from the national Merit Scholarship Corp.

But the testing service maintains that its new study indicates that the sex differences were not the result of bias in the exams themselves. The differences, it argued, are genuine and would be reflected in well-designed standardized test results.

A Battle Plan

When to take melatonin the day before and the day of departure:

Change in zones:	1 – 6 time zones	7 – 9	10 or more
Going east to west	On awakening	On awakening	On awakening
Going west to east	About 3 p.m.	About 3 p.m.	On awakening

When to take melatonin upon arrival:

	1 – 6 time zones	7 – 9	10 or more
Going east to west	Day 1: On awakening.	Day 1: On awakening.	Day 1: When it is the same time at the point of departure that you took it yesterday.
	Days 2 and 3: 1 to 2 hours later than on previous day.	Days 2 to 4: 1 to 2 hours later than on previous day.	Days 2 to 4: 1 to 2 hours later than on previous day.
Going west to east	Day 1: When it is the same time at your departure point that you took it yesterday.*	Day 1: When it is the same time at your departure point that you took it yesterday.	Day 1: When it is the same time at your departure point that you took it yesterday.
	Days 2 and 3: 1 to 2 hours earlier than on previous day.	Days 2 to 4: 1 to 2 hours earlier than on previous day.	Days 2 to 4: 1 to 2 hours earlier than on previous day.

When to get and avoid daylight:

	1 – 6 time zones	7 – 9	10 or more
Going east to west	Get light late in the day.	Get midday light; avoid late-day light.	Get morning light; avoid light the rest of the day
Going west to east	Get morning light.	Avoid morning light; get midday light.	Get morning light; avoid light the rest of the day

* For example, if you took melatonin in Los Angeles at 3 p.m., take it in New York at 6 p.m. on the first day, 4 or 5 p.m. on the second day and 3 or 4 p.m. on the third day. For jet lag, you should be taking a dosage of a half-milligram at most, unless the prescribed time is before bed. That means you will have to cut those tablets.

The New York Times

Jet Lag: A Melatonin Manual

By Jane E. Brody
New York Times Service

NEW YORK — Melatonin, the controversial hormone now widely available in the United States wherever dietary supplements are sold, has one indisputable role in the body: it, along with bright light, helps set the body's biological clock by acting on a pacemaker in the brain.

Released at night by the pineal gland at the base of the brain, melatonin sets body rhythms, including the one that makes you feel sleepy at bedtime and awake during the day.

The tenacity of these rhythms was experienced by many who switched to daylight time recently and had to arise an hour earlier than their bodies were used to. It is far more challenging to fly across three, six or even 12 time zones and adjust to local time, resulting in that disturbance in body rhythms called jet lag.

It generally takes one day to adjust for each time zone you cross. So if you make a long flight, for a two-week vacation, the resulting time difference will leave your body out of whack with local time for most of your trip. Then, having just become adjusted to the new time, you fly home to repeat the adjustment.

I have written before about the ability of melatonin to curtail jet lag, but the number of times I have been asked about it recently — and the many people who have told me that "melatonin doesn't work" — tells me that I should try again.

One problem is that the use of melatonin to re-adjust body clocks is complicated, and if you do it wrong, it will not work. In fact, you are likely to make your jet lag worse if you take melatonin at the wrong time.

Also, while melatonin is a potent time-setter for our internal clocks, the most powerful determinant is daylight, which suppresses melatonin's release by the pineal. To get the maximum benefit, melatonin must be used with exposure to — and protection from — daylight at specific times of day.

Also, the dosing directions on the melatonin label, which tell you to take it at bedtime, are no help in countering jet lag. But do read the label for one important fact: how much melatonin is in each tablet.

In all likelihood, the dose is far too high and will serve only to put you to sleep, often when you want to be awake. Melatonin usually comes in doses of about two or three milligrams per tablet; for jet lag, you should be taking a half-milligram at most, unless the prescribed time is before bed. That means you will have to cut those tiny tablets into even tinier bits, saving some whole tablets to use as a sleeping aid, if needed.

A final warning: Even the half-milligram dose can make some people sleepy. If you feel the least bit drowsy after taking it, avoid driving or operating dangerous machinery. If you have trouble falling asleep at your destination, you can take a full two- or three-milligram dose at bedtime, in addition to the dose you took to shift your body clock.

Melatonin can help jet travelers adjust body rhythms so they want to sleep at a time that suits the new time zone, not the one they left behind. How long that takes depends on how many time zones are crossed.

Dr. Alfred Lewy, an expert on circadian rhythms at the Oregon Health Sciences University in Portland who devised the regimen in the chart above, says that body rhythms are adjusted by either advancing or delaying them, which determines when you take melatonin and when you bask in daylight or avoid it.

Do not wait until you get to your destination to start the melatonin regimen; start it the day before your departure. And do not forget to pack a visor and dark sunglasses to protect your eyes from exposure to bright light at the wrong time of day. Otherwise, plan to stay indoors during those hours.

When traveling from east to west, you will want to delay your body clock three hours. The day before departure, the day you leave and the first few days on the West Coast, take the low dose of melatonin when you wake up in the morning, regardless of how early. Upon arriving, get outdoors without sunglasses for at least half an hour late in the day.

This scheme works for a difference of up to six time zones. If you are crossing more than six but fewer than 10 time zones, the melatonin instructions stay the same — take it in the afternoon going east and upon waking going west — but the rules about light exposure change.

GOING east, get into the light at midday but avoid it in the morning. On the following days, gradually shift outdoor light exposure to an earlier time. Going west, get midday light but avoid it later in the day. On the following days, shift light exposure to a later time.

However, for a shift of more than nine hours, all the rules change because it is easier to delay the body clock by 14 hours than to advance it by 10 or more. Therefore, when going east, follow the melatonin and light exposure times for going west.

When I traveled from New York to Thailand — a 12-hour time difference — I took the melatonin when I awoke in New York (6 A.M.) the day before and day of departure and then at 6 P.M. the first day in Thailand, which was 6 A.M. in New York. Each subsequent day I took it one to two hours later. I also got out into the morning sun without sunglasses.

The day before I left Thailand, I repeated this regimen to delay my body clock again 12 hours. My first night home, I slept through to a New York morning. I was sleepy at midday for a few days, but re-entry was basically a snap.

As Dr. Lewy said, "These regimens don't eliminate jet lag, but they reduce the number of days you have it."

The Longer-Distance Runner

By Susan Okie
Washington Post Service

WASHINGTON — Men's weight goes up and their waistlines grow as they reach middle age, even if they're dedicated runners, according to a new government study of male joggers.

At any given age between 18 and 49, men who ran more miles per week did tend to be leaner than those who ran fewer. But even among the most active group — men who ran more than 40 miles (65 kilometers) a week — weight and waist circumference tended to increase steadily throughout the 20s, 30s and 40s.

The message: A man can beat middle-aged spread only if he escalates his exercise regime as he ages, said Paul T. Williams, an epidemiologist at Lawrence Berkeley National Laboratory in California who performed the study. And that principle is at odds with current government exercise, diet and weight guidelines, which imply that people can avoid gaining weight simply by keeping their exercise level constant.

"If you look at the dietary guidelines, they talk about 'keeping active,'" said Dr. Williams. " 'Keeping active' is not sufficient. You have to become more active as you get older." He is currently studying women runners to see whether the same advice applies to them.

The study suggests that a man would need to increase his weekly running distance by about 1.4 miles each year to keep his waistline from growing, Dr. Williams said. For example, someone who averaged 10 miles per week at age 30 would have to increase his distance to 24 miles per week by age 40.

The most recent set of government dietary guidelines, issued in 1995, departed from previous versions because instead of allowing for some weight gain with age, it recommended that weight should remain constant.

Dr. Williams applauds that advice, since weight gain — particularly in the abdominal region — is associated with an increased risk of heart disease, high blood pressure, diabetes and certain kinds of cancer.

The guidelines advise all Americans to "try to do 30 minutes or more of moderate physical activity on most — preferably all — days of the week." In the National Runners' Health Study, Dr. Williams set out to examine whether maintaining a steady exercise level as a person ages is enough to keep the pounds off. His findings were published in the American Journal of Clinical Nutrition.

The study enrolled 4,769 male runners between the ages of 18 and 49 and 2,150 who were 50 or older. Participants (with the help of their doctors) provided information about how far they ran each week, whether they had a family history of obesity, their diet, their alcohol intake, their blood pressure and their lipoprotein levels (blood proteins, such as LDL and HDL, that transport fat and cholesterol in the circulation). None of the participants were smokers. Because very few nonwhite runners signed up for the study, the researchers decided to limit their analysis to white men.

BOOKS

THE ACTUAL: A Novella

By Saul Bellow. 104 pages. $17.95. Viking.

Reviewed by Michiko Kakutani

IF you were going to try to describe the work of the inimitable Saul Bellow in terms of other writers, you might think of existential Europeans like Dostoyevsky and Sartre, and red-blooded Americans like Dreiser and Melville. You wouldn't immediately think of Henry James, a writer whose magisterial explorations of sensibility seem a distant cry indeed from Bellow's rollicking, street-smart tales depicting agonized, woman-plagued men.

And yet Bellow's new novella, "The Actual," can only be described as a Bellovian variation on James, a variation that oddly stands as a mature distillation of Bellow's work to date: a twinkling if semiprecious gem that recapitulates in miniature the issues and ideas that have animated his fiction of the last 50 years.

The narrator of "The Actual," one Harry Trellman, is a familiar Bellow figure — a "first-class noticer," an outsider who seems alternately baffled, repelled and fascinated by the calamitous world of fortune-hunters, tricksters, fixers and salesmen he sees around him. Harry, himself, is a con man of sorts — he has apparently made a tidy sum of money with a shady import business based in Burma and Guatemala — and he's something of a masked man when it comes to the realm of emotions as well.

When we first meet him, Harry bears more than a passing resemblance to the hero of James's famous tale "The Beast in the Jungle": He, too, has spent his entire life waiting and withholding. Acutely aware of the "human gaps and breaks" in life, the "spiritual ozone that smells like bleach," Harry does not participate in the world; he stands back and observes it.

For 40 years, Harry has been in love with a woman named Amy Wustrin, whom he dated briefly in high school. In the intervening years, Amy has married Harry's best friend, Jay, an inveterate womanizer and feckless scoundrel who divorces her for committing adultery. While Harry has been sitting about, thinking big thoughts and twiddling his emotional thumbs, Amy has been out there in the real world. Emotionally bruised and battered, she has received the sort of sentimental education that Harry has worked so hard to inoculate himself against.

Harry, on his part, maintains his old relationship with Amy — in his head. "I've had imaginary meetings and conversations with Amy several times a week for years now," he says. "In these mental discussions we have reviewed all the errors I made — scores of them — the worst being my failure to pursue, to compete for, her."

Harry's release (or rescue) through the machinations of an eccentric interloper will be familiar to Bellow's readers as well. In this case, a fantastically rich tycoon named Sigmund Adletsky engineers a complicated scheme by which Harry is reintroduced to Amy and exposed to a bevy of wealthy nuts and operators, most notably a toy manufacturer who has remarried the woman who once hired a hit man to kill him.

THIS scenario gives Bellow a chance once again to conjure up the cacophonous city of Chicago in all its ridiculous folly — a place where husbands bug their wives' beds and ex-cons set up divorce registry services for the newly dumped. It also gives him a chance to let Harry carry on, Sammler-like, about the illusions and delusions of the people he meets.

"These were all commonplace persons," says Harry. "I would never have let them think so, but it's time to admit that I looked down on them. They were lacking in higher motives. They were run-of-the-mill products of our mass democracy, with no distinctive contribution to make to the history of the species, satisfied to pile up money or seduce women, to copulate, thrive in the sack as the degenerate children of Eros, male but not manly, and living, the men and women alike, on threadbare ideas, without beauty, without virtue, without the slightest independence of spirit."

The problem, of course, is that Harry's judgmental intellect and craving for some sort of higher life are also the very things that cut him off from humanity — and from love. It is the dilemma that faces many Bellow heroes: how to balance the equation between the world and the self, between "the actual," as it were, and the private realm of the soul. At one extreme lies immersion in meaningless, petty distraction; at the other, narcissistic introspection. On one side, community with the threat of shallowness and vulgarity; on the other, self-reliance with the threat of solipsism.

Which side will Harry come down on? Will he abdicate his role as observer and immerse himself in "the actual," or will he reaffirm his identity as a "dangling man"? Will he take advantage of his second chance with Amy (and will she respond after all these years?), or will he wait too long to seize the day?

Whereas the endings of earlier Bellow works like "Mr. Sammler's Planet" and "The Dean's December" felt forced, even contrived, the conclusion to "The Actual" — highly reminiscent of the end of "Humboldt's Gift" — works as an apt and touching finale to Harry's story.

There is an elegiac tone to his tale that continually reminds the reader that this is a late work, completed deep into the author's career. The language, while still distinctively Bellovian, is somewhat more subdued than in the past, although Harry's own awareness of mortality, his awareness that the clock is ticking, lends his story an urgency all its own. He seems aware, as Amy says of another character, that he is entering his "final years," as biographers call it — "a period of 'mature' acceptance, reconciliation, open-handedness, general amnesty."

Michiko Kakutani is on the staff of The New York Times.

BRIDGE

By Alan Truscott

ONE of the few East-Coast bridge families that can field an effective foursome in tournament play suffered a tragedy in Manhattan recently. Jerome Sprung, 65, of Purchase New York, had spent 10 days by the side of his wife, Shirley, while she underwent therapy for throat cancer. When he left the hospital he was struck by a hit-and-run driver, thrown into the path of another car and killed.

Their son, Danny, and his wife, Jo Ann, have both national titles. On the diagramed deal, from a duplicate game in Florida, father and son were sitting South and North respectively. The contract was one no-trump, reached after North's negative double of one heart.

West led the heart king, and South held up his ace until the third round. Now routine play would have led to the club ace and taken a normal finesse of the jack. West would have been able to cash his two heart winners and shift to a spade. That would be one down, and an inspired West would do a trick better by shifting to spades before cashing his hearts, giving South no chance to unblock his club king on a heart winner.

But South decided, in view of the overcall, that West was likely to hold the club queen. He considered trying to drop a doubleton queen, but that would have failed.

Instead he led the club jack, an imperfect backward finesse since the nine is in the wrong hand. If East had held 10-8-x, he would have scored a trick once the jack was covered by the doubleton queen. But the cards were lying favorably for this play. West covered, and five club tricks were run. By guessing diamonds, South emerged with an overtrick.

The play of the club jack would have left the contract in the balance if East had held the queen. To prevail, East would have had to make a risky shift to a spade, away from the king. A diamond return would have given South a chance to score a seventh trick in that suit before the defense could score a spade trick.

NORTH
♠ A 9 8 4
♡ 6 2
◇ 10 9 7
♣ A 9 6 5 3

WEST
♠ Q 5
♡ K Q 10 9 4
◇ A 9 8
♣ Q 8 4

EAST
♠ K 10 7 6 3
♡ J 7 3
◇ Q 4 3
♣ 10 2

SOUTH (D)
♠ J 2
♡ A 8 5
◇ K J 6 5 2
♣ K J 7

East and West were vulnerable. The bidding:

South	West	North	East
1 ◇	1 ♡	Dbl.	Pass
1 N.T.	Pass	Pass	Pass

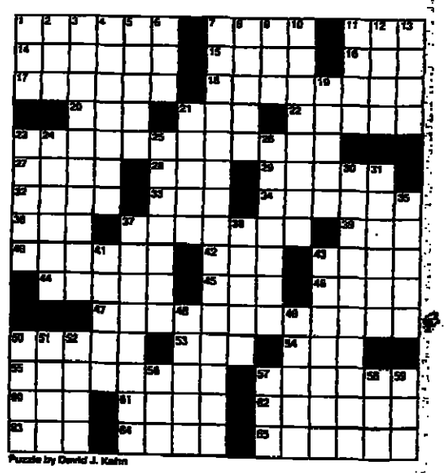
West led the heart king.

Harry's
Est. 1911, Paris
"Sank Roo Doe Noo"
A Space for Thought.

CROSSWORD

ACROSS
1 Construction lifts
7 "If — a nickel ..."
11 Pointed criticism
14 You can say that again!
15 Section flanked by aisles
16 Hubbub
17 Appoint
18 Spring zoo attraction
20 Tick off
21 Dearie
22 Ambles (along)
23 Magellan, e.g.
27 Crescent-shaped figure
28 Olive —
29 Beach time in Buenos Aires
32 Retired
33 Struggle
34 O'Brien of "The Barefoot Contessa"
36 TV news time
37 Namesakes of a literary fox
39 Suffix with saw
40 Plain homes
42 Eight pts.
43 Not occurring naturally
44 — voce
45 Adaptable truck, for short
46 Stonewort, e.g.
47 Confederate soldier, at times?
50 Pundit
52 Where to hear "All Things Considered"
54 Number of articles in the Constitution
55 New York City opera benefactor?
57 Melon originally from Turkey
60 Tide rival
61 Noted first name in jazz
62 Like Alban Berg's music
63 Get spliced
64 —-poly
65 Metric units

DOWN
1 Med. care provider
2 Sweep
3 World's fair pavilion
4 Famished
5 *Tot's transport*
6 Start of many Western place names
7 Theme of this puzzle
8 1492 Columbus discovery
9 *Dow Jones fig.*
10 Pool areas
11 Item in a trunk
12 Together, musically
13 Feints in boxing
19 "Air Music" composer
21 Contribute, as to an account
22 Criticize in no uncertain terms
24 Red conundums
25 Continues
26 Razzed
30 Louis XIV, to himself?
31 Wound up
35 Cheerless
37 Attorney's request
38 Critic
41 Old words from which modern words are derived
43 Half of the Odd Couple
48 Sound of passage
49 Not perfectly round
50 Fish-eating duck
51 Ginger Rogers tune "— — in the Money"
52 Not much
56 Oay-—
57 Be-bopper
58 "Phooey!"
59 Capp and Capone



Puzzle by David J. Kahn

© New York Times/Edited by Will Shorts.

Solution to Puzzle of May 7

A	S	A	P		S	A	M	E		M	O	J	O	S
J	U	D	O		A	L	E	X		I	R	I	S	H
A	L	A	S		S	O	O	T		S	A	N	T	A
M	U	M	S	T	H	E	W	O	R	D		R	E	M
		U	R	I			R	A	E		I	O	U	
T	H	E	M	O	M	M	Y	T	R	A	C	K		
R	A	Y		D	I	D	O		E	L	A	I	N	E
I	L	E	D			S	K	A			D	S	O	S
O	S	W	E	G	O		U	P	T	O		H	A	T
		I	R	E	M	E	M	B	E	R	M	A	M	A
C	O	T		I	N	D			N	E	E			
A	N	N		S	I	E	R	R	A	M	A	D	R	E
B	E	E	C	H		R	O	A	N		D	O	O	R
A	T	S	E	A		L	A	I	C		O	L	E	G
L	O	S	E	S		E	D	D	Y		W	E	G	O

Pursuant to the law and the ... Organization ... are hereby ... upon the following:

1. Presentation ... financial statements ...
2. Approval of ...
3. Approval of ...
4. Acquittal of ...
5. Approval of ...
6. Approval of ...
7. Appointments ... nation of their ter...
8. Miscellaneous announcements.

In order to participate in ... Bank in Greece or abroad, the ... by the same deadline ...

By authorization of the Board of ...

D. Papoulias
Chairman

Athens, ...-5-1997

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

Condensed Financial Statements
Prepared under International Accounting Standards
for fiscal years ended December 31, 1996 and 1995
(in millions of Greek Drachmae)

BALANCE SHEETS

Assets	1996	1995
Fixed Assets		
Property and equipment	1,436,254	1,325,658
Less-Depreciation	(580,657)	(494,999)
	855,597	830,659
Investments	86,961	27,800
Deferred taxes	59,605	53,300
Other non current assets	30,354	19,951
Current Assets		
Accounts receivable	193,651	147,590
Materials and supplies	10,728	8,328
Due from State (principal shareholder)	13,358	0
Other current assets	41,089	37,798
	258,826	193,716
	1,291,343	1,125,426

Liabilities & Shareholder's Investment	1996	1995
Shareholder's investment		
Capital	316,499	298,488
Paid-in-surplus	74,601	0
Legal reserve	36,753	29,356
Retained earnings	189,743	101,294
	617,596	429,138
Subsidies, net of amortization	111,036	108,615
Long-term debt	120,972	123,783
Reserves for staff retirement and other employee benefits	153,145	138,591
Other long-term liabilities	23,941	24,379
Current Liabilities		
Bank loans and overdrafts	25,492	99,726
Accounts payable	41,510	47,709
Income taxes payable	59,828	44,069
Dividends	76,139	43,860
Other current liabilities	61,684	65,556
	264,653	300,920
	1,291,343	1,125,426

STATEMENTS OF OPERATIONS

	1996	1995
Operating revenues	679,484	593,033
Operating expenses	(405,883)	(356,062)
	273,601	236,971
Financial, net	(2,730)	(17,205)
Other, net	(5,934)	609
Profit before income taxes	264,937	220,375
Income taxes	(93,131)	(81,610)
Net profit	171,806	138,765

MOVEMENT IN SHAREHOLDER'S INVESTMENT

	1996	1995
Shareholders' Investment, January 1	429,138	345,233
Net profit for the year	171,806	138,765
Capital increase	18,011	0
Paid-in surplus, net of share issuance expenses	74,601	0
Dividends	(75,960)	(54,860)
Shareholder's investment, December 31	617,596	429,138

Note: OTE Prepares and publishes financial statements in accordance with both Greek Statutory requirements and international Accounting Standards (IAS).The major differences between Statutory and IAS financial statements relate to the accounting of (a) deferred staff retirement and other employee benefits, (b) subsidies for fixed asset acquisitions, (c) compulsory revaluation of fixed assets and (d) deferred income taxes. The above financial statements have been audited by independent public accountants, whose report thereon includes an exception, as the development of OTE's fixed asset register for telecommunication equipment and installations has not yet been completed. The finalization of the aforementioned register is in its final stages.

The Chairman of the Board of Directors
D. Papoulias

The Managing Director
P. Lambrou

The Director General Finance
Ch. Kazantzis

The Director of Financial Services
I. Kartsonas

HELLENIC TELECOMMUNICATION ORGANIZATION SA

THE SHAREHOLDERS OF THE HELLENIC TELECOMMUNICATION ORGANIZATION SA
(REGISTRATION NUMBER 347/06/B/86/10)
ARE HERBY INVITED TO THE 45TH ORDINARY GENERAL ASSEMBLY (FISCAL YEAR 1/1/1996-31/12/1996)

Pursuant to the Law and the Company's Articles of Association Charter and following Resolution no 2507 of the Board of Directors, taken on 7/5/1997, the Shareholders of the Hellenic Telecommunications Organization S.A. are hereby invited to the 45th Ordinary General Assembly, to be held on Thursday, 29/5/1997, at 12.00 hours, at Holiday Inn Hotel, (50 Michalacopoulou Street, Athens) to discuss and debate upon the following:

1. Presentation of the Management Report drafted by the Managing Director and Audit Reports compiled by the Chartered Auditors and the Auditor of international repute, in respect to the annual financial statements of the fiscal year 1996 financial statements including the financial statements compiled in accordance with the International Accounting Standards.
2. Approval of financial statements and reports for the fiscal year 1996.
3. Approval of profit allocation.
4. Acquittal of the Board of Directors and Auditors from any compensation liability for the fiscal year 1996, pursuant to Codified Law 2190/1920.
5. Approval of remuneration paid to the members of the Board of Directors and determination of their remuneration's form.
6. Approval of remuneration paid to the Chairman of the Board of Directors and the Managing Director and determination of their remuneration.
7. Appointments of Chartered Auditors (two principal and two deputy auditors) and one auditor of international repute for the fiscal year 1997, pursuant to the provisions of Law 2257/94 and determination of their fee.
8. Miscellaneous announcements.

In order to participate in person or by proxy, in the said General Assembly, Shareholders shall, in conformance with the Law and the Company's Article of Association, deposit their share certificates with any Bank in Greece or abroad; the Consignations and Loans Fund or OTE's Treasury (99 Kifissias Ave. Maroussi), at least five (5) full days before the appointed date for the General Assembly namely by 29/5/1997. By the same deadline, Shareholders must have also deposited the Share Depositary Receipts as well as the proxy forms with OTE's Share Registrations Office, at 15 Stadiou Street, Athens.

By authorization of the Board of Directors

D. Papoulias
Chairman

Athens, 7-5-1997

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GERMANY*	DEM	182	**72**	60%
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GREECE	DR	18,200	**9,100**	50%
IRELAND	IR£	52	**26**	50%
ITALY	ITL	145,600	**58,000**	60%
LUXEMBOURG	LFR	3,3800	**1,350**	60%
NETHERLANDS	NLG	195	**78**	60%
NORWAY	NOK	832	**390**	53%
PORTUGAL	ESC	11,960	**5,000**	58%
SPAIN	PTAS	11,700	**5,000**	57%
SWEDEN	SEK	832	**350**	58%
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May 7, 1997

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The Associated Press.

DID YOU MISS A DAY THIS WEEK?

This past week's front pages are available for viewing on the IHT site on the World Wide Web.

http://www.iht.com

Continued on Page 18

Europeans Vie for Role In Thomson After Sale

CYBERSCAPE

Russia Conn

CURREN

Europeans Vie for Role In Thomson After Sale

Compiled by Our Staff From Dispatches

PARIS — Major defense contractors from Britain and Germany maneuvered to get on board as Alcatel Alsthom SA and Lagardere SCA submitted rival bids Wednesday to buy France's controlling interest in Thomson-CSF, Europe's biggest defense-electronics company.

The sale of the government's 58 percent stake, valued at 12.7 billion francs ($2.16 billion) at current market prices, is a critical step in restructuring the European defense industry to compete with U.S. rivals.

General Electric Co. and British Aerospace PLC, rivals in the British defense industry, both want to combine parts of their businesses with Thomson-CSF to secure their positions as leading weapons makers in Europe.

"After what's happened in America with defense consolidation, there has to be some restructuring in the European industry," GEC's finance director, David Newlands, said.

General Electric said it had entered into memoranda of understanding with both Alcatel Alsthom and Lagardere under which GEC and whichever of the bidders is successful would hold talks "concerning the combination of certain of the businesses of Thomson-CSF and GEC-Marconi." General Electric, which is not related to the U.S. company of the same name, has been barred by the French government from submitting its own bid.

British Aerospace, meanwhile, teamed with Lagardere to help finance its bid, agreeing to provide 2.7 billion francs through a loan and a purchase of convertible bonds.

In Germany, Daimler-Benz AG's aerospace unit also agreed to support the Lagardere bid. Daimler-Benz Aerospace and Lagardere said they had signed a "major strategic agreement" covering missiles, space and defense-electronics activities.

Lagardere plans to merge its defense division, Matra, with Thomson-CSF. Alcatel said it would have Thomson-CSF remain a publicly listed company.

(Bloomberg, Reuters, AFX)

Asian 'Murdoch' In Hard Times

Sondhi's Media Empire Ailing

By Richard Covington
Special to the Herald Tribune

With an $800 million roll of the dice, the Thai entrepreneur Sondhi Limthongkul set out in 1995 to become an "Asian Rupert Murdoch," as he put it.

Mr. Sondhi announced in December of that year that he was adding an ambitious Bangkok-based daily newspaper, the Asia Times, to his stable of media properties and laid out plans for a pan-Asian satellite television and data network. He intended, he said later, to become "the first Asian to get up and fight the Western press."

Mr. Sondhi, a former journalist, said he was prepared to invest as much as $60 million in his newspaper as a "brand-building exercise" for the broadcast network, to create a media empire run by Asians for Asians.

But now, a year and a half later, Mr. Sondhi's media empire shows signs of coming apart.

According to current and former employees of his publishing arm, Manager Media Group, Mr. Sondhi is having difficulty meeting payrolls, and some correspondents have not been paid for weeks.

Numerous industry sources say Mr. Sondhi is casting around for partners to bail out both the Asia Times and Asia, Inc., his glossy Hong Kong-based business magazine. Mr. Sondhi did not respond to numerous requests to be interviewed for this article. But the company confirmed Wednesday that a planned expansion of the magazine from monthly to semimonthly had been put on hold and said its editor, Jim Rohwer, a former executive editor of the Economist magazine and strategist for CS First Boston in Hong Kong, was leaving after less than eight months to pursue "opportunities outside the group."

One Sondhi business, Staco Ltd., a fiberboard maker in Bangkok, has severe financial problems, according to Sriyan Pietersz, a Bangkok-based equity strategist for Nomura International Hong Kong.

Underscoring the unprofitability of Mr. Sondhi's publishing concerns, Mr. Pietersz also characterized the proposed satellite TV venture as "imprudent."

Many potential investors share that view. Recent attempts to raise much-needed capital for the TV venture have come up short, according to industry sources. An additional $675 million is needed to finance the project, on top of its $125 million in existing capital.

Some important investors have pulled out, including United Communications Industry, a telecommunications concern based in Bangkok and partly owned by Goldman, Sachs & Co.

With around 30 magazines and newspapers in Thailand, Hong Kong, China and the United States and an eclectic bag of business interests scattered from printing plants to construction materials and hotels, Mr. Sondhi's M Group has become a welter of crisscrossing financial connections more intricate than Bangkok's infamous traffic snarls.

Jason Reed/Reuters

Mr. Sondhi at the start of publication of Asia Times.

In addition to the Asia Times and Asia Inc., the group publishes Seven Days, a Chinese-language monthly printed in Guangzhou, and Buzz, a monthly cultural magazine in Los Angeles.

Yet with the Asia Times, Asia Inc. and other publications hemorrhaging red ink, and with Thailand in its gravest economic crisis in a decade, Mr. Sondhi seems intent in embarking on the project.

Scheduled to begin offering services next year, Asia Broadcast & Communications Network PLC could bring 500 channels and high-speed Internet access to 2 billion people in the region, initially targeting India, Thailand, Vietnam, Taiwan and South Korea, according to Mr. Sondhi. He calls the venture a "communications superhighway in the sky" and says it is the keystone of his media empire.

By grouping a mix of national channels, local Asian programming and European and American imports, the network aims to attract upper-middle-class viewers, business travelers and tourists across the region, said Christopher Vizas, an American who is ABCN's chief executive officer. In time, the venture hopes to beam Asian channels aimed at ethnic viewers within North America over a trans-Pacific satellite link, he said.

Apart from television programming, the satellite network will offer a premium package that includes Internet access at 400 kilobits a second, compared with the current 28.8 kilobits a second over conventional telephone lines, Mr. Vizas said.

ABCN's startup comes as "technology has taken a dive in Asia," said Brian Jeffries, editor and publisher of Asia Pacific Space Report, a newsletter devoted to satellite ventures in the region. According to Mr. Jeffries, a host of broadcasters are planning the leap or have already jumped into the competition to deliver television, high-speed data,

See EMPIRE, Page 17

BSkyB Alliance Buys Digital-TV Decoders

Venture Subsidizes Cost of Devices

Compiled by Our Staff From Dispatches

LONDON — British Sky Broadcasting Group PLC and British Telecommunications PLC said Wednesday that they had ordered 1 million set-top decoder boxes, putting into action BSkyB's plan to offer a bouquet of interactive digital television services.

The boxes will be the first to allow consumers access to as many as 200 digital-television channels, the Internet and other services from satellites, cable or regular antennas and to interact with them over BT's telephone network.

BSkyB's stock closed 13 pence higher, at 609 ($9.97), while BT shares fell 2 to 458.

"There is general relief that BSkyB has got the deal bedded down," Louise Barton of Henderson Crosthwaite said of the order's effect on BSkyB stock. "The price is being driven exclusively by the news flow on digital development."

BSkyB and BT, along with their partners Midland Bank PLC and Matsushita Electric Industrial Co., created British Interactive Broadcasting, a venture that would subsidize the cost of the decoder box to consumers to spur a market that has struggled elsewhere in Europe.

The companies will invest £265 million in setting up the joint venture, subsidizing the boxes and building infrastructure over five years.

The set-top decoder box order could also give News Corp., which owns 40 percent of BSkyB, a head start in introducing interactive digital services elsewhere in the world. It owns stakes in ASkyB in the United States and JSkyB in Japan.

Starting in the summer of 1998, the British venture will start offering such services as video on demand, home-shopping and banking as well as on-line games.

BT sells telephone service to 29 million British homes.

The venture ordered the decoders from Amstrad PLC, Pace Micro Technology PLC, Matsushita Electric's Panasonic unit and a joint venture between Hyundai Corp. of South Korea and Grundy Worldwide Ltd.

The announcement came after BSkyB said its third-quarter pretax profit rose 15 percent, to £81.6 million, as it continued to add subscribers to its existing analog television service. BSkyB has close to 6 million customers for the satellite service in Britain and Ireland.

The formation of British Interactive Broadcasting represents a successful move by BSkyB, Ms. Barton said, "to get the cost of set-top box subsidy off balance sheet" and to reduce BSkyB's contribution to a third of the cost.

But she said the venture faced competition from cable companies because of their proposed earlier launch date for digital cable. *(Bloomberg, AFX)*

Report Links More Firms to Scandal in Seoul

Compiled by Our Staff From Dispatches

SEOUL — South Korean business suffered a fresh blow Wednesday after a published report said prosecutors were investigating the Hansol group of companies in connection with a scandal swirling around President Kim Young Sam's son.

The newspaper Chosun Ilbo reported that state prosecutors had evidence that the group had managed a 7 billion won ($7.8 million) fund on behalf of an associate of Kim Hyun Chul, the president's son.

A spokesman for Hansol, whose flagship Hansol Paper Co. is the country's largest paper manufacturer, said: "There seems to be a big misunderstanding. I hope the prosecution will uncover the truth."

Kim Hyun Chul is being investigated by prosecutors for his involvement in a loans-for-kickbacks scandal involving Hanbo Steel & General Construction Co. The report sent shares the Hansol group's seven listed companies tumbling and helped pull South Korea's composite index down 12.47 points, to 689.10. *(Reuters, AFP)*

CYBERSCAPE

Russia Connects to Cybercafé Society

By Michael Specter
New York Times Service

MOSCOW — Café society never really caught on in Russia. Before the revolution there was no need for it. Serfs were too poor to spend time lounging in taverns or coffee shops. The landed gentry had ornate personal cafés built into their mansions. There was never much of a middle class.

The Bolsheviks opposed the idea more vigorously than the czars. What could seem worse to a Communist leader than informal gathering places where underemployed, brooding intellectuals could share their problems? Censorship and café life just don't mix.

So Moscow has had some catching up to do in the last few years when it comes to almost anything connected to caffeine or communication.

"We are going to be huge out there," said Yevgeni Ponomarev, a radio engineer and self-confessed computer geek who has become the unlikely proprietor of this city's first Internet café, a sleek metallic gathering place called Virtual World.

"We are going to have the cleanest, fastest and most attractive Internet cafés in the world," he said. "You won't find anything more popular in Moscow than the virtual world."

Virtual World (reachable at http://www.partya.ru) is already clearly a hit.

Sponsored by the consumer electronics chain Partya — whose owners realize that a city in need of the Internet is also a city in need of computers, peripherals and software — Virtual World almost is an actual one.

Virtual World is lighted naturally by a huge skylight. The food is fresh, the beer ice-cold.

Popularity has its price, though. The only time to be certain of getting space at one of the 10 lightning-fast computer terminals is when the place opens each morning. After that you can sign up for time and sit at the bar till your turn comes.

By noon, the flood begins. Foreign students wander in to check their e-mail. Enterprising Moscow businessmen and women are there all the time researching slick proposals for everything from clothes stores to race tracks.

But the major denizens of the Net and the café, thanks to a policy of free access to the Web at all times, are children — some so young that their sneakers do not quite touch the ground from their chairs.

"I want to be the Russian Bill Gates," said Vlodya Kontorin, 12, a math whiz and computer addict. Vlodya and some of his friends spend most days at Virtual World about 14 minutes after the last bell rings at School 841, just around the corner.

"I could spend every day of my life here," he said. "My mother thinks it's bad for me. But I told her about how Bill Gates is the most important man in the world."

Perhaps his mother's fears are justified and the Internet café will become the pool hall of the late 20th century. The ultimate place to cut class. But so far, it seems more like the type of outstanding library that Moscow desperately needs.

Mr. Ponomarev has big plans for his little café. Like many people who live primarily in cyberspace, he does not view the Web as a useful resource or a good business. He sees it as life.

His plan — already endorsed by the immensely powerful mayor, Yuri Luzhkov — is to open a chain of Virtual Worlds.

"Ideally, I would like every kid in Moscow today to rely on the Web for information and for fun," he said, sitting at Virtual World's glimmering bar, where cognac goes for $10 a glass. "We need to move very fast to catch up."

There is at least one other such place in Russia — the Tetris café in St. Petersburg. But unlike Virtual World, where all access is free, Tetris costs a lot and is filled with the hackers who make up that city's well-known cyber-underground.

"I have been to Tetris, but you just want to do your business and leave," said Radivy Vasilyev, 24, a graduate student.

"This is like what the telephone office used to be," he said of Virtual World, referring to the Russian tradition, not completely dead, of having to make phone calls from a central office. "It has already become a place I couldn't live without."

CURRENCY & INTEREST RATES

Cross Rates

May 7

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.934	3.167	1.1251	0.3334	0.1137*	—	5.451*	1.327	1.5409*	1.3995	1.3325*
Brussels	35.445	58.20	20.638	6.1195	2.0857*	18.35	—	24.34	0.2836	25.48	24.45*
Frankfurt	1.7219	2.8183	—	0.2964	0.1011*	0.8899	4.8465*	1.1797	1.3764*	1.248	1.1848*
London (a)	1.6365	—	2.8138	9.4929	2,783.60	3.1653	58.0794	2.3875	204.3889	2.2604	237.366
Madrid	145.095	237.466	84.433	25.025	8.532*	75.054	4.0900	99.592	116.132*	104.982	—
Milan	1,704.30	2,785.38	990.05	293.12	—	879.55	48.08	1,166.85	13.621	1,235.40	11.734
New York (b)	—	1.6337a	1.7187	5.7977	1,702.80	1.9337	35.51	1.4585	125.015	1.3819	145.35
Paris	5.7979	9.487	3.3738	—	0.3400*	2.9991	0.1635	3.9796	4.6406*	4.185	3.996*
Tokyo	125.30	204.86	72.62	21.51	0.733	64.55	3.5100	85.55	—	90.92	0.8597
Toronto	1.382	2.2374	0.8039	0.2383	0.0802*	0.7149	0.3894*	0.9469	1.1059*	—	0.952*
Zurich	1.456	2.3849	0.8475	0.2512	0.0856*	0.7537	4.1084*	—	1.1679*	1.0538	1.0039*
1 ECU	1.1465	0.6903	1.9599	6.6223	1,939.52	2.2047	40.4494	1.6615	142.489	1.5742	165.47
1 SDR	1.3705	0.8369	2.3598	7.9459	2,330.69	2.6484	48.8889	2.0016	171.721	1.884	190.843

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York rates at 4 P.M. and Toronto rates at 3 P.M.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9986	Greek drac.	272.82	Mex. peso	7.892	S. Afr. rand	4.457
Australian $	1.2898	Hong Kong $	7.7457	N. Zealand $	1.4618	S. Kor. won	894.70
Austrian sch.	12.093	Hung. forint	182.49	Norw. krone	7.1015	Swed. krona	7.7283
Brazil real	1.0648	Indian rupee	35.865	Phil. peso	26.36	Taiwan $	27.73
Chinese yuan	8.3243	Indo. rupiah	2425.0	Polish zloty	3.16	Thai baht	26.08
Czech koruna	30.83	Irish £	0.6623	Port. escudo	172.42	Turkish lira	136280
Danish krone	6.542	Israeli shek.	3.4038	Russ ruble	5755.0	UAE dirham	3.6705
Egypt. pound	3.3952	Kuw dinar	0.3038	Saudi riyal	3.75	Venez. boliv.	481.25
Fin. markka	5.1705	Malay. ring.	2.511	Sing. $	1.4448		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6368	1.6359	1.6350	Japanese yen	124.19	123.65	123.04
Canadian dollar	1.3778	1.3751	1.3723	Swiss franc	1.4498	1.4448	1.4401
Deutsche mark	1.7141	1.7101	1.7064				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo).

Libid-Libor Rates

May 7

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5½ - 5⅝	3 - 3⅛	1⅝ - 1¾	6¼ - 6½	3 5/16 - 3 7/16	⅞ - 9/16	4 - 4⅛
3-month	5⅝ - 5¾	3 3/16 - 3 5/16	1 9/16 - 1 11/16	6¼ - 6½	3¼ - 3⅜	7/16 - 9/16	4 1/16 - 4 3/16
6-month	5¾ - 5⅞	3 3/16 - 3 5/16	1¾ - 1⅞	6½ - 6¾	3 5/16 - 3 7/16	9/16 - ⅝	4 1/16 - 4 3/16
1-year	6⅛ - 6¼	3¼ - 3⅜	1¾ - 2	6 15/16 - 7 1/16	3½ - 3⅝	11/16 - 13/16	4 5/16 - 4 7/16

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8½	8½
Federal funds	5½	5⅝
90-day CDs dealers	5.73	5.72
180-day CP dealers	5.69	5.68
3 month Treasury bill	5.08	5.04
1-year Treasury bill	5.61	5.57
2-year Treasury bill	6.34	6.27
5-year Treasury note	6.63	6.55
7-year Treasury note	6.68	6.60
10-year Treasury note	6.75	6.66
30-year Treasury bond	6.96	6.88
Merrill Lynch 30-day RA	4.97	4.97
Japan		
Discount rate	0.50	0.50
Call money	0.43	0.41
1-month interbank	0.58	0.53
3-month interbank	0.59	0.53
6-month interbank	0.68	0.61
10-year Gov't bond	2.66	2.64
Germany		
Lombard rate	4.50	4.50
Call money	3.10	3.12
1-month interbank	3.20	3.20
3-month interbank	3.22	3.23
6-month interbank	3.25	3.25
10-year Bond	5.74	5.73

Britain		
Bank base rate	6¼	6¼
Call money	6¼	6¼
1-month interbank	6 5/16	6 5/16
3-month interbank	6 7/16	6 7/16
6-month interbank	6⅝	6⅝
10-year Gilt	7.11	7.10
France		
Intervention rate	3.10	3.10
Call money	3 5/16	3 5/16
1-month interbank	3¼	3¼
3-month interbank	3⅜	3 7/16
6-month interbank	3½	3½
10-year OAT	5.67	5.69

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	340.55	341.00	— 1.60
London	340.65	341.10	— 1.15
New York	341.50	342.40	+ 0.90

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (June.)
Source: Reuters.

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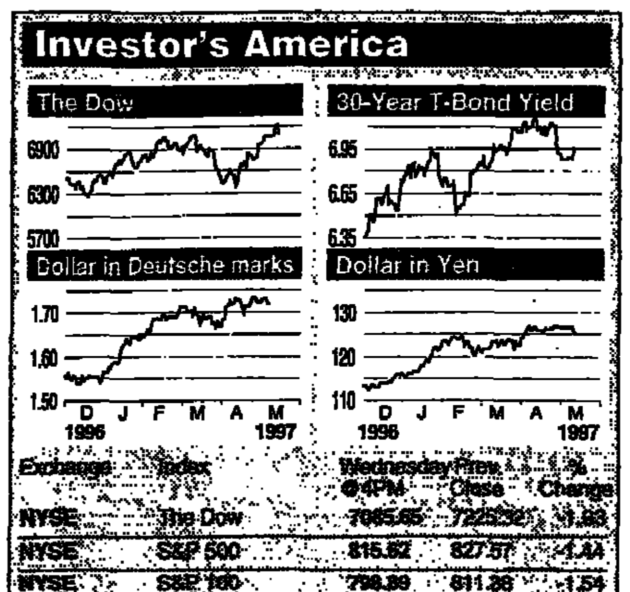

Exchange	Index	Wednesday @4PM	Prev. Close	% Change
NYSE	The Dow	7085.65	7225.32	-1.93
NYSE	S&P 500	815.62	827.57	-1.44
NYSE	S&P 100	798.89	811.36	-1.54
NYSE	Composite	424.95	430.68	-1.33
U.S.	Nasdaq Composite	1322.92	1328.29	-0.40
AMEX	Market Value	570.50	570.51	Unch.
Toronto	TSE Index	6112.50	6118.60	-0.10
São Paulo	Bovespa	10179.85	10218.66	-0.38
Mexico City	Bolsa	3776.82	3793.84	-0.50
Buenos Aires	Merval	724.11	735.57	-1.56
Santiago	IPSA General	5351.03	5370.54	-0.36
Caracas	Capital General	6498.08	6530.23	-0.49

Source: Bloomberg, Reuters International Herald Tribune

Very briefly:

Intel Sets a Deadline for Answers

TOKYO (AFP) — Intel Corp. will announce the results of its inquiry into a reported flaw in some of its microprocessors, including the Pentium II, by the end of the week, the company's vice president said here Wednesday.

The microchip maker will disclose the results on its home page on the Internet (http://www.intel.com), the executive, Pat Gelsinger, was quoted as saying by Jiji Press.

The report of the flaw was published on the Internet by Robert Collins, who said the new Pentium II microprocessor had a flaw in its "floating point unit," in which large mathematical computations are performed.

Viacom Posts First-Quarter Loss

NEW YORK (Bloomberg) — Viacom Inc. said it had a first-quarter loss, largely because of higher expenses and slow video rentals at its Blockbuster Entertainment Group unit.

Viacom said its loss on continuing operations was $23.8 million. A year earlier, it had income from continuing operations of $19.4 million, or 1 cent a share.

- **Software piracy** rose 20 percent in 1996 from 1995, with about one of every two new business software applications being pirated, a study by the Software Publishers Association and the Business Software Alliance said.
- **Microsoft Corp.** will buy Dimension X, a closely held maker of multimedia development software based on Sun Microsystems Inc.'s Java.
- **Equitable Cos.** said first-quarter earnings rose 21 percent, led by sales of annuities and profit at its money-management and **Donaldson, Lufkin & Jenrette Inc.** securities units.
- **American Honda Motor Co. Inc.** sued **Republic Industries Inc.**, seeking to block Republic from buying more of its Honda and Acura car dealerships. *Reuters, Bloomberg*

Long-Distance Access Fees Set

Businesses Complain They Will Bear Brunt of Charges

Bloomberg News

WASHINGTON — Federal regulators approved on Wednesday wide-ranging rules to revamp the fees local phone companies collect to complete long-distance calls — while simultaneously creating a fund for linking schools to the Internet and subsidizing needy phone customers.

While the rules, approved unanimously, are broad and only partially complete, businesses said they would end up bearing a heavier burden so that rates could fall for many residential customers. Internet companies also face new fees, as do people who have a second phone line at home.

Still, last-minute negotiations Tuesday between business lobbyists and the Federal Communications Commission resulted in a $2.75 fee per business line, instead of the expected $4.50.

The rules cut the $23 billion in annual call-completion, or "access," charges paid by AT&T Corp., MCI Communications Corp. and other long-distance carriers to local phone companies by $1.7 billion in the first year.

AT&T has promised to pass on directly to residential customers two-thirds of the $900 million in savings it forecasts. Over the next five years, the access charges will be reduced by $18.5 billion, the communications commission said.

The plan would also create a "universal service" fund — the size of which has yet to be determined — to maintain subsidized service to poor and rural customers and link schools, libraries and some rural hospitals to the Internet.

The commission said telecommunications service providers would pay into the fund on a staggered basis starting Jan. 1, with subsidies to poor and rural customers becoming available within a year. Money for linking institutions to the Internet will be distributed as needed, it said.

Caps on second phone lines will rise from the current $3.50, though it was not immediately clear by how much. Long-distance companies will pay an additional flat fee of $1.50 for every second residential phone line. Internet-access companies will suffer, the Association of Online Providers said, because many second phone lines in homes are used for Internet access.

Fears of a Rate Rise Weigh on Wall Street

Compiled by Our Staff From Dispatches

NEW YORK — Blue-chip stocks tumbled about 2 percent Wednesday, following bond prices lower, amid concern that the U.S. economy is growing strongly enough to prompt the central bank to raise interest rates again.

The Dow Jones industrial average fell 139.67 points, to 7,085.65, after two consecutive record closes. The Federal Reserve System said in its so-called tan book, a periodic report on the U.S. economy, that economic growth was moderate with high levels of employment, reinforcing expectations for an interest-rate increase.

But a positive earnings report from Cisco Systems, a maker of computer-networking equipment, helped limit the drop in the Nasdaq composite index, which closed down just 5.36 points, or 0.40 percent, at 1,322.94.

The Standard & Poor's 500 index, meanwhile, slipped 12.14 points, or 1.5 percent, to 815.62.

A weak Treasury auction hurt the bond market, where the price of the benchmark 30-year issue fell 30/32, to 95 25/32, pushing its yield up to 6.96 percent from 6.88 percent.

Worker productivity rose at a slower-than-expected pace in the first quarter as labor costs marched higher, Labor Department figures showed. At the same time, the Fed's regional report suggested that labor shortages were persisting, pushing wages higher in many parts of the country.

"The risk of inflation has picked up," said Nick Perna, chief economist at Fleet Financial Group.

Productivity, a measure of the time and effort put into providing goods and services, rose at a 2.0 percent annual rate in the first quarter after a 1.1 percent rise in the fourth quarter. Though the gain over the first three months of 1997 was the highest since a 2.8 percent gain in the fourth quarter of 1993, it was below analysts' expectations.

Unit labor costs rose 2.7 percent in the first quarter, up from 2.5 percent in the fourth quarter, according to the Labor Department.

Traders and analysts fear that signs of inflation could cause the

U.S. STOCKS

central bank to raise interest rates to cool the economy. Increased rates raise companies' borrowing costs and tend to hurt stocks by making returns on bonds more attractive.

In the tan book, the Fed said there was "significant resistance to price increases" in most parts of the country, although it said retailers in New England had been able to raise prices in response to strong consumer demand and that retailers in the Chicago area said they had needed to offer fewer discounts and other incentives to attract buyers.

The Fed's policy-setting Open Market Committee will meet May 20 to discuss whether to push lending rates upward. On March 25, it approved the first increase in U.S. short-term rates in two years.

Shares and options of Lehman Brothers Holding surged 5⅜ to 39½ amid speculation that a bank such as J.P. Morgan or Chase Manhattan would make an offer for its shares.

Computer-chip companies jumped after favorable comments in a conference call from Merrill Lynch & Co. analysts. Texas Instruments rose ⅜ to 92⅜. Motorola was up 1 to 62, while Intel rose 1⅛ to 156⅞.

Cisco Systems rose 1⅜ to 59⅛ after the company said its third-quarter earnings rose 54 percent. After the market closed Tuesday, Cisco, the world's biggest maker of computer-networking equipment posted a profit of $378.3 million for the quarter, compared with $245.6 million a year earlier.

"The networking industry's top company has stood up and made its numbers," said Bill Rabin, an analyst at J.P. Morgan. "The market will breathe a sigh of relief."

3Com shares rose 1⅛ to 37⅜. That company will become the second-largest maker of equipment for linking computers, after Cisco, if it completes its planned acquisition of U.S. Robotics. *(Bloomberg, AP)*

A 'Big Step' for Computer Security

By Laurence Zuckerman
New York Times Service

NEW YORK — IBM said Wednesday that two of its researchers had come up with a computer encryption formula that they said was nearly impossible to crack.

International Business Machines Corp. said the breakthrough was still a long way from being usable outside the laboratory and that it did nothing to resolve the running dispute between the computer industry and the federal government over whether law-enforcement agencies should be given access to encrypted communications. But it could ultimately help reduce the vulnerability of so-called public-key encryption, which is the favored security method used to safeguard commerce and privacy on the Internet.

"They've made a big advance," said Joan Feigenbaum, a researcher at AT&T Labs in Murray Hill, New Jersey, who is familiar with the work of the two computer scientists who developed the system, Miklos Ajtai and Cynthia Dwork of IBM's Almaden Research Center in San Jose, California. "Scientifically, this is a big step in the right direction."

But Bruce Schneier, a computer-security consultant in Minneapolis and author of a standard work on cryptography, dismissed the news. "Theoretically, it is important, but as a security breakthrough there is nothing new," he said.

IBM said its new system was the first that could generate hundreds of codes at random, each one of which would be as difficult to solve as the hardest instance of the underlying mathematical problem, which has defied solution by mathematicians for 150 years.

Dollar Falls on Rumor of Intervention Plan

Compiled by Our Staff From Dispatches

NEW YORK — The dollar fell in late trading Wednesday after a Japanese report said the central banks of Japan, Germany and the United States were preparing to sell the currency in a joint effort to halt its two-year rally.

The report from the Kyodo news agency, which quoted an unidentified International Monetary Fund official, said the Group of Seven industrial nations had begun planning Tuesday for such action. Many traders said they considered the report implausible.

"Every day recently, there has been talk of intervention, and that is keeping the dollar under pressure," said Karl Halligan, chief currency trader at CIC Bank New York.

John Rothfield, an economist at

FOREIGN EXCHANGE

NationsBank, said that dealers remained preoccupied by Japan's large trade surplus, a concern that was scaring off buyers when the dollar fell.

Mr. Rothfield said there was "really not much fear" of any central bank intervention to stop the dollar's slide. "Central banks don't want to punish speculators, because the dollar would collapse," he said. He predicted the dollar would begin to climb again by next week because economic fundamentals remained in its favor.

"At this stage there is no great desire to reverse the dollar's rise," said Ross Lifton, an economist at HSBC Markets in London.

Early in the Wednesday session, traders were awaiting the release of the Federal Reserve's so-called tan book, a report on the U.S. regional economies. Traders usually comb the report for signs indicating the next adjustment of key short-term interest rates. But the dollar was little changed after the release of the report, indicating that it did not contain many surprises.

The dollar fell to 1.7187 Deutsche marks in 4 P.M. trading from 1.7233 DM the day before, and to 125.015 yen from 125.40 yen. It also slipped to 5.7977 French francs from 5.8550 francs and to 1.4585 Swiss francs from 1.4615 francs.

The pound fell to $1.6137 from $1.6333. *(Bloomberg, Reuters, AFP)*

AMEX

Wednesday's 4 P.M. Close

The top 300 most active shares, up to the closing on Wall Street. The Associated Press.

Stock	Sales	High	Low	Latest	Chge
AM Intl	138	3⅜	3⅛	3⅜	+⅛
AMC	2347	22½	20¾	21¾	+1⅞
AMC pf	105	38⅛	36⅝	38⅛	+3⅛
ARC	338	3⅝	2⅞	3	+⅛
AVIC Gp n	472	4	3⅝	3⅞	+⅛
AckGrp s	84	11½	11¼	11½	-⅛
AdobRsc	279	14⅛	12⅝	14⅛	+1⅜
AdvMag	107	13⅜	13	13⅜	+½
AdvMed	252	3⅞	3⅝	3⅝	-⅛
Aeroson	280	9⅝	9½	9⅝	+⅜
AirWat	177	4⅜	4⅛	4⅜	—
AHaagen	419	14⅛	13⅜	13⅜	-⅞
Alfin	214	1⅞	1⅞	1⅞	—
AlldDgtl	109	2	2	2	+⅛
AlldRsh	141	8⅛	7⅝	7⅝	-⅛
AlldrH	202	6	6	6	—
Alpholn	343	7½	7⅜	7⅜	—
AltaLvng n	191	16¾	16⅝	16½	-⅛
Amdhl	763	9	8⅝	8⅞	+⅛
Amerxc n	104	5⅞	5⅜	5⅜	+⅜
AExpl	198	11½	11¼	11½	—
AmLlsr	250	26¼	24¾	25¾	+1⅜
ATechC	280	11⅝	10⅞	11	-⅛
Ampex	2439	6⅜	5¾	5⅞	-⅛
Andrea	75	11⅝	11⅜	11⅝	+⅛
Anubco	105	8⅝	8½	8⅝	+⅛
Apragnx	324	⅞	¾	⅞	-⅛
ArrowH	211	9⅝	9⅜	9½	-⅛
AstLvng	444	22¾	22½	22⅝	—
Astrotc	624	5⅜	5⅛	5¼	-⅛
AtlTele	159	12½	12⅛	12½	+⅛
Audvox	792	6⅜	5⅞	6	+⅛
AuroEl	114	1⅜	1¼	1⅜	—
Autotote	476	1⅞	1⅝	1⅝	+⅛
Azco	135	1⅞	1¾	1⅞	+⅛
BAT Ind	695	17½	17⅛	17½	-⅛
Baldys s	391	15⅛	14⅝	15⅛	+½
BarrLb	1861	42⅞	40⅝	42⅞	+2⅜
BemaGold	4850	6⅞	6⅝	6⅞	+⅛
BenchE	229	28½	27¾	28¼	+⅛
BestPh wt	138	1⅛	1⅛	1⅛	—
BiokNl	81	41	40⅜	40⅝	-⅛
BioR A s	177	25⅛	24⅜	25	-⅛
BiscApp	131	1	15/16	1	+⅛
BlkB109	101	11⅜	11¼	11⅜	—
BlondT	204	9	8⅝	8⅝	+⅛
BogenC	126	3⅞	3⅝	3¾	+⅛
BolTch n	165	4⅜	4⅛	4⅜	-⅛
Bowlwd	129	15⅜	15⅛	15⅜	-⅛
Bowne	198	27⅞	27⅜	27⅜	-⅛
Brandyw s	236	18⅜	18⅛	18⅜	-⅛
BrllDig n	139	5⅜	5⅛	5⅜	-⅛
BUBGs n	161	7⅜	7	7⅜	+⅛
CE Fmk g	560	4⅛	3⅞	4	+⅛
CFX Cp	117	16	15⅝	15⅞	—
Cablvsn	347	31⅜	30⅜	30⅞	-⅞
Cablvs pf	86	22	21⅝	22	+½
Calton	168	⅞	¾	⅞	—
Cambior	1268	13	12⅝	13	+⅛
Cambex s	215	35⅛	35	35	-⅛
CdnOc g s	232	20	19⅝	20	+⅛
Canyonrs	2015	2½	2⅜	2½	+⅛
Caremk n	152	20⅜	20	20⅜	+⅛
CastlAM s	85	19	18½	19	+⅛
CFCda g	292	4⅜	4⅛	4⅛	-⅛
ChadThr	198	7⅜	7	7⅜	-⅛
Chief	211	20⅜	20⅛	20⅜	+⅛
Cogntn	790	7⅜	7	7⅜	+⅜
ColLb	1684	15⅛	14½	14⅞	-⅜
Comforce	92	6	5⅞	5⅞	-⅛
CmcIAst	376	6⅜	6⅛	6⅛	-⅛
CmdrAp s	83	7⅜	7⅛	7⅛	-⅛
CmdrA wt	963	2⅜	2	2⅛	-⅛
CompTch	122	10⅜	9⅝	10⅛	+⅛
CmpMan	294	12⅜	11⅜	12⅛	+⅛
Comptek	336	6⅜	6⅛	6⅜	+½
CompMall	281	2⅜	2½	2⅜	-⅛
Cross	431	10½	10⅛	10½	+⅛
CrwlAm	251	4⅛	4	4⅛	—
Cybexnl	136	9	8⅞	9	+⅛
Cycomn	1164	2⅞	2⅝	2⅝	+⅛
DI Ind	454	2⅞	2½	2⅝	-⅛
DakotaM	1039	1⅛	1⅛	1⅛	+⅛
ecDalG	90	1⅛	1⅛	1⅛	—
Datamet	147	1⅞	1⅞	1⅞	+⅛
DenAmer	140	3	2⅞	2⅞	+⅛
DevnE	565	36⅛	35⅝	36⅛	—
DigRCT	112	⅞	¾	⅞	—
DigPwr n	98	8⅜	8⅛	8⅜	+⅛
Diodes	183	10⅜	10⅛	10⅜	-⅛
Drewlnd s	77	11½	11¼	11½	+⅛
DryfMu	152	10⅜	10⅛	10⅛	-⅛
EchoBay	12203	5⅞	5⅜	5⅜	+⅛
Edisto	107	9⅝	9⅜	9⅝	—
Edtek	797	½	⅜	½	—
ElPasoE	3713	6⅛	6	6⅛	+⅛
Emerlns	119	14	13⅝	14	+⅛
EmerR	567	⅜	⅜	⅜	+⅛
EmpCar	920	1⅞	1⅛	1⅞	+⅛
ExtonBl	150	15⅝	15⅜	15⅜	-⅛
Equisure n	761	13	12½	12⅝	-⅛
FoonHlth	1046	2⅜	2	2⅜	+⅛
Fibrbd	943	39⅜	38⅜	39⅛	+⅛
FinFd	94	19	18⅝	18⅞	-⅛
FtAust	568	8⅛	8½	8⅝	-⅛
FAusPr	1514	9⅛	9	9	-⅛
Fiber	218	11⅜	11⅛	11⅛	-⅛
FlaRck	188	33½	32⅛	33⅜	+1⅛
ForstLb	1421	37⅜	37⅛	37⅜	-⅛
FortPet	296	1⅞	1⅛	1⅞	—
FrnkSel	314	6⅛	5⅞	6	+⅛
FreqEl	5985	10⅜	9⅞	10⅛	+⅛
Frischs	139	14⅝	14⅛	14⅝	+⅛
GST Tele	863	6⅞	6⅝	6⅝	+⅛
GamaB	103	4⅛	4	4⅛	-⅛
Garan	83	20½	20⅛	20½	+⅛
GaylCn	1088	6⅛	5⅞	5⅞	-⅛
Gencor	235	23⅜	22¾	23⅛	+⅛
GnAuto	76	1⅞	1⅞	1⅞	—
GnEmp	86	11	10⅞	10⅞	-⅛
GeorRr	140	14⅛	13⅞	14⅛	+⅛
GlctsGld	1482	39⅜	38½	39⅛	+1⅛
GleaFd	483	39⅛	38½	38⅞	-⅛
Glbll	381	17	16½	16⅝	-⅛
Globlnk	185	3⅜	3⅛	3⅜	-⅛
GolVlen	285	1⅛	1⅛	1⅛	+⅛
GldStarR	931	8⅜	8⅛	8⅛	+⅛
GldFld	1044	⅞	⅞	⅞	+⅛
GolfTrst n	251	26	26	26	—
GormRup	121	16⅞	16⅛	16⅞	+⅜
GrtBayC	158	1⅞	1⅞	1⅛	—
GreyhndL	4513	3⅜	3⅛	3⅜	+⅛
GultLb	123	10⅞	9⅝	10⅞	+⅛
Halifax s	75	7	6⅞	7	—
HallEP	126	8⅞	7½	8⅛	+⅛
Halsey	347	4⅜	4⅛	4⅜	-⅛
HalwdH n	3320	19⅛	19	19	-⅛
HampIr	273	7⅛	7⅛	7⅛	-⅛
HanvDir	1327	⅞	⅞	⅞	—
Harken	2793	4⅞	4⅛	4⅛	-⅛
Hasbro s	12737	24⅜	24⅛	24½	-⅛
HawAir	127	3⅜	3⅛	3⅞	-⅛
Heoxr	3680	1⅜	1⅛	1⅜	-⅛
HomeVll n	349	18⅛	17⅞	17⅞	-⅛
HovnEn	157	6⅞	6⅝	6⅞	+⅛
HudGn	440	38⅝	38	38⅝	+⅛
IGI	92	5⅜	5⅛	5⅜	+⅛
Ideafx	731	8⅞	7⅞	8⅞	+⅛
ImpCMtg	674	25⅜	23⅝	25	+⅜
ImpOil g	266	46⅛	46⅛	46⅛	-⅛
Instron	123	12⅜	12⅛	12⅜	-⅛
IntegSys	353	3½	3⅜	3½	+⅛
IntCtPd	306	4⅞	4⅝	4⅞	+⅛
InterDig	611	5⅜	5	5⅜	-⅛
Iclaidw	959	11/16	¾	¾	-1/16
Intmagn	281	11	10⅝	10⅞	-⅛
IntsGC	90	3⅜	3⅛	3⅜	-⅛
IntPoly s	265	18⅜	18⅛	18⅜	—
IonLaser	119	8⅛	7⅜	7⅝	-⅛
IvaxCp	7916	8⅝	8⅛	8⅝	+⅛
JTS Corp	9217	1⅞	1½	1⅞	-⅛
Jaclyn	325	4⅛	3⅞	4	-⅛
JanBell	143	2⅞	2⅛	2⅛	-⅛
Joalrs	89	15⅜	15⅛	15⅜	—
Keane s	2432	50⅛	47	47½	-3
KeyEng	897	14	13⅝	13⅝	—
Kinark	216	3⅞	3⅝	3⅝	-⅛
KogrEq	370	16⅛	16⅛	16⅛	+⅛
Krug	108	5	4⅞	5	—
LaBarg	230	6⅛	6⅛	6⅝	—
Lancer s	165	21⅜	20⅜	21	+⅛
LazKap	605	13⅞	13⅜	13⅝	-⅛
LehSTC wt	98	19⅝	18⅝	19⅝	—
LilVero	200	15	14⅛	14⅛	-⅛
MAI Sys	281	5⅜	5	5⅜	-⅛
MagnHunt	287	5⅜	5⅜	5⅜	—
Media	278	30⅞	30⅛	30⅛	—
MediaLog	215	2⅜	2⅛	2⅜	+⅛
MercAir s	85	6	5⅞	6	+⅛
Metromda	383	9⅝	9½	9½	-⅛
MidcstE n	82	15⅜	15	15⅜	+⅛
Milbanks	84	1⅛	1⅛	1⅛	-⅛
MoogA	120	23⅝	23⅛	23⅜	-⅛
MSNK 97wt	279	4⅜	4⅛	4⅛	-⅛
MuniMtg n	141	16⅛	16⅛	16⅛	+⅛
Muncst	125	9⅝	9⅝	9⅝	-⅛
NTNCom	966	3⅛	3	3⅛	—
Nabors	5324	19⅞	19⅛	19⅞	-⅛
NatBev s	121	11	10⅞	11	+⅛
NtPatnt	447	6⅞	6⅛	6⅞	-⅛
NY Times	2580	44⅝	43⅝	44	—
Nwdl0D p	230	15⅛	14⅛	15	+⅛
NA Vacc	324	20⅜	19⅜	19⅞	-⅛
Natorg	738	2⅞	2⅜	2⅝	+⅛
OmniMul	1621	1⅞	1⅝	1⅞	+⅛
Oncor	1343	3⅞	3⅝	3⅞	+⅛
Oncormd	163	4	3⅞	4	—
Organgn s	1108	18⅛	17½	17⅞	+⅛
PGECap pf	722	24⅜	24½	24⅝	—
PLC Sys	557	16⅜	16⅛	16⅞	-⅛
PLM	419	5⅜	5⅛	5⅜	-⅛
PMC	92	13⅜	13⅛	13⅜	-⅛
ParkHld	94	3	2⅞	3	+⅛
PanAmC n	383	8⅛	7⅝	8	-⅛
PegasC	966	10⅞	9⅞	10⅞	+⅛
PegGld	3639	6⅞	6⅝	6⅞	+⅛
PenRE	177	22	21½	21⅞	-⅛
PeopleTel	260	3⅝	3⅜	3½	—
PhsNet	139	2⅞	2⅝	2⅝	-⅛
PinPsc	163	14	13⅞	14	-⅛
PlyR A	337	4⅞	4⅛	4⅛	-⅛
PlyR B	1070	4⅛	3⅞	3⅞	-⅛
Polyvisn	260	½	⅜	⅜	—
PortSys s	131	1⅛	1⅛	1⅛	-⅛
PrpdLg	713	16⅛	15⅞	16	-⅛
PrcCm	161	9⅛	9	9⅛	—
Pricell s	154	7⅜	7⅛	7⅜	-⅛
ProActv n	82	⅜	⅜	⅜	—
PsycCp	493	7⅞	7⅜	7⅜	+⅛
PureWtr n	78	6½	6⅛	6⅛	-⅛
PubSNM	83	13⅜	12⅞	13⅛	—
QC Opt wt	139	⅜	⅜	⅜	-⅛
RF Pow	359	3⅛	3	3	-⅛
RamcoE n	174	17⅛	16⅞	17⅛	+⅛
RioGold	154	⅞	13/16	⅞	+⅛
RLJoden	143	20⅛	19⅞	20⅛	+⅛
Relac	148	6⅜	6⅛	6½	-⅛
RegalBel	1088	26⅛	26⅛	26½	-⅛
Riser	274	40⅛	40⅛	40⅛	-⅛
Riviera n	530	13⅞	13⅜	13½	-⅛
Rogers	95	33⅜	32⅞	33⅜	+⅛
RoyalO g	4674	2⅜	2⅛	2¼	+⅛
SC Bcp	170	11⅛	11⅛	11⅛	-⅛
SalnPet s	3827	15⅛	13⅜	13⅜	-1½
SFeGP pl	220	⅞	⅞	⅞	—
Selicare n	137	9⅛	9⅛	9⅛	+⅛
SentryT n	233	2⅞	2⅝	2⅝	—
Sentry pf	84	2⅛	2⅛	2⅛	—
Servico	95	15⅜	15⅛	15⅜	+⅛
Sefted	103	4⅞	4½	4⅞	+⅛
ecSolipos	170	⅞	½	⅞	+⅛
SPDR	21691	83	81 19/32	81 17/32	-1 15/32
SP Mid	811	52⅛	51⅛	51⅜	-⅝
Stephan	192	10⅛	9⅞	10	+⅛
StelHous	188	13⅜	13	13	-⅛
StrgCap	363	12⅜	12⅛	12⅜	+⅛
SubstAbus	229	1⅛	1⅛	1⅛	—
Sulcus	1404	1⅜	1⅛	1⅜	+⅛
SanNur	120	1⅛	1⅛	1⅛	—
SurgdyC	105	5⅜	5⅛	5⅜	—
TejasR	84	18⅜	18	18⅛	-⅛
TelDta	298	38	37⅜	37½	-⅛
TechOlc	301	4⅝	4⅝	4⅝	—
Thermed	1448	19⅞	18⅞	19	+⅛
ThCar s	1341	27⅞	26⅛	26⅛	-1⅛
ThmEco s	171	14⅛	14½	14⅛	+⅛
ThrmFib s	368	10⅛	9⅝	10⅛	+⅛
Thlnsl	159	32⅜	31⅜	32	-⅛
ThrmPw	287	7	6⅞	6⅞	-⅛
ThrmSed	76	10⅛	10⅛	10⅛	+⅛
ThrVall s	185	8½	8⅛	8⅛	—
Thrmotec	264	10⅞	9⅞	9⅞	-⅛
Thrmgst	274	13⅞	13⅜	13⅞	+⅛
Thrmqn	247	19⅛	19⅛	19⅛	-⅛
TopSrce	215	2⅛	2	2⅛	+⅛
ToRPnt	249	9⅜	9½	9⅜	+⅛
TownCty	78	⅞	¾	⅞	+⅛
TWA	2004	7⅛	7⅛	7⅛	-⅛
TradMed n	215	13⅞	13	13	-⅛
Trinitech	84	6	5⅞	5⅞	+⅛
TrpAG97	154				—
TubMex	1851	16⅛	16⅛	16⅞	-⅛
Unapix	105	4	3⅞	4	+⅛
Unifab	275	¾	⅝	⅝	—
Unimar	626	5⅞	5⅞	5⅞	—
UniglRel	417	4⅛	4⅛	4⅛	-⅛
US Bio wt	188	3	2⅞	3	+⅛
USBiosci	2758	10⅛	10	10⅛	-⅛
US Cell	244	25⅜	25⅛	25⅛	-⅛
VKAdMu2	110	11½	11⅜	11½	—
VKSelS	128	10⅛	10⅛	10⅛	+⅛
Viacom	943	29	28⅛	28⅞	+⅛
ViacB	7185	29⅛	28⅛	28⅞	+⅛
Viac wtE	184	1⅛	1⅛	1⅛	—
ViatsG g	607	1⅛	1⅛	1⅛	—
Viragic	271	⅞	⅞	⅞	-⅛
VanMN2	127	12⅞	12⅝	12⅝	—
WRIT	346	17⅜	17⅛	17⅛	-⅛
WIRET	142	12⅞	12⅛	12⅞	+⅛
WastRs	254	3⅜	3⅛	3⅜	+⅛
WinsbT s	1645	10⅜	9⅞	10⅛	-⅛
WEBCan	410	12⅜	12⅛	12⅛	+⅛
WEBGer	123	15⅞	15⅞	15⅞	-⅛
WEB HK	87	14⅞	14⅛	14⅞	-⅛
WEB Ita	440	15⅛	15⅛	15⅛	-⅛
WEB Jpn	740	12⅞	12⅛	12⅜	-⅛
WEB Mal	372	13⅞	13⅜	13⅝	+⅛
WEB UK	374	16⅞	16⅛	16⅞	+⅛
XCL Ltd	1129	⅞	⅞	⅞	-⅛
Xytron	113	1⅞	1	1⅞	+⅛

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	7205.24	7225.32	7075.62	7085.65	-139.67
Trans	2601.51	2619.70	2592.57	2594.42	-9.25
Util	226.87	227.64	223.73	223.94	-4.05
Comp	2246.94	2252.02	2217.07	2219.42	-33.05

Standard & Poors

	Previous High	Low	Close	Today 4 P.M.
Industrials	978.33	967.76	971.57	959.85
Transp.	601.77	593.84	593.94	592.15
Utilities	196.47	193.88	196.07	192.74
Finance	94.98	93.53	94.44	91.74
SP 500	832.29	824.70	827.76	815.62
SP 100	816.07	808.14	811.55	798.89

NYSE

	High	Low	Last	Chg.
Composite	430.77	424.59	424.95	-5.82
Industrials	544.25	537.10	537.80	-6.28
Transp.	391.99	388.04	388.28	-1.80
Utility	269.47	265.36	265.59	-3.88
Finance	394.04	385.46	385.74	-8.30

Nasdaq

	High	Low	Last	Chg.
Composite	1333.25	1320.44	1322.93	-5.37
Industrials	1063.87	1056.69	1060.43	-1.41
Banks	1426.54	1419.39	1420.61	-4.15
Insurance	1481.67	1468.20	1472.71	-7.30
Finance	1747.68	1733.80	1736.42	-8.22
Transp.	891.27	879.90	881.12	-6.14

AMEX

High	Low	Last	Chg.
571.59	569.41	570.50	-0.01

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	101.96	101.92
10 Utilities	98.66	98.67
10 Industrials	105.25	105.17

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
ADT	164803	28⅛	27½	28	-⅛
Iomega s	84109	19⅝	17⅜	19	+1½
LehmBr	73285	42	33⅞	38⅛	+4
PhilMor s	72374	42½	41	41⅜	-⅝
GTE	67450	44⅛	43⅛	43½	-1½
MicmT	66589	39⅝	37¼	37⅜	-1⅝
Fluor	53960	48⅛	46½	47⅜	-⅝
BayNtwk	53239	21	19⅝	20⅛	+⅛
TransHosp	52203	15⅜	15½	15⅝	+1⅛
AT&T s	40283	33⅛	32⅛	32⅛	-⅜
NineWest	39297	36⅛	34	34	+1½
ApplMg	39159	32⅞	30½	32⅛	+1⅛
HewlPk s	37229	53⅞	52⅛	53⅛	-⅛
PepsiCo	36825	36½	35⅞	36	-⅜
Exxon s	34661	59	57⅛	57⅞	-⅜

Nasdaq

	Vol.	High	Low	Last	Chg.
Cisco	273823	60⅛	56⅛	58⅛	+1
3Com	164718	38	34½	37⅛	+1⅛
Intel	98853	160	155⅝	155⅝	-2⅝
ForeSys s	95721	17½	15⅛	16⅛	+1
Microsft s	86172	119	115⅛	115⅝	-1 9/16
FdLioA	79662	6⅞	6⅝	6⅜	+⅛
Ascend	74251	50⅝	48	48	-1½
SunMic s	73880	31⅜	29⅜	30½	+⅜
Dell/Cpt s	63837	93⅛	88⅝	92½	+7⅛
WorldCm s	62404	26⅛	25⅜	25⅜	-⅛
ApldMat	55429	62	58⅝	60⅜	+1
US Robt s	52118	65⅞	59⅜	64	+2⅜
PetsMart s	49267	12⅛	11½	11⅝	+⅛
Oracle	48863	44½	43	43	-⅝
PairTch s	46167	24½	22⅝	23⅝	+⅝

AMEX

	Vol.	High	Low	Last	Chg.
SPDR	21691	83	81 19/32	81 19/32	-1 15/32
Hasbro s	12737	24⅝	24⅛	24½	-⅛
EchoBay	12203	5⅝	5½	5⅝	+⅛
JTS Corp	9217	1⅞	1½	1⅝	-⅛
IvaxCp	7916	8⅞	8⅜	8⅝	+⅛
ViacB	7185	29⅜	28⅞	28⅞	+⅛
FreqEl	5985	10⅝	9⅞	10½	+⅛
Nabors	5324	19⅞	19⅛	19⅞	-⅛
RoyalO g	4674	2⅜	2⅜	2⅜	+1/16
GreyhndL	4513	3⅝	3⅜	3⅝	+⅛

Trading Activity

NYSE

	Close	Prev.
Advanced	849	1287
Declined	1683	1293
Unchanged	829	799
Total issues	3361	3373
New Highs	96	203
New Lows	17	17

Nasdaq

	Noon	Prev.
Advanced	1597	2097
Declined	1618	1984
Unchanged	2183	1657
Total issues	5398	5738
New Highs	53	143
New Lows	96	101

AMEX

	Close	Prev.
Advanced	254	266
Declined	265	281
Unchanged	194	191
Total issues	713	738
New Highs	13	23
New Lows	6	6

Market Sales

	Today 4 P.M.	Prev. cons.
NYSE	503.11	719.12
Amex	19.97	27.36
Nasdaq	579.83	741.91

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Telekom Indon	b	.3423	5-22	6-30
Telex-Chile	b	.0025	5-19	6-3
Will Cool Seam	_	.6174	5-15	5-30
STOCK SPLIT				
Coastal Fincl 4 for 3 split.				
Computer Task 2 for 1 split.				
INCREASED				
Harley Davidson	Q	.07	6-16	6-27
Mattel Inc	Q	.07	6-16	7-3
PepsiCo Inc	Q	.125	6-13	6-30
Seligman Select	M	.0782	5-16	5-28
Trust Co NJ.	Q	.11	5-9	6-2
INITIAL				
RAMCO Energy	b	.0202	6-6	7-14
REGULAR				
BW/IP Inc	Q	.11	6-13	7-8
Baldwin & Lyons	Q	.10	5-20	6-3
Bandag Inc	Q	.25	6-20	7-22
CNF Transport	Q	.10	5-7	6-7
Community Bks	Q	.21	6-16	7-1
Delchamps Inc	Q	.11	5-14	5-28
Deluxe Corp	Q	.37	5-19	6-2
Enron Corp	Q	.225	6-2	6-20
Ft Wayne Ntl	Q	.29	6-10	7-1
Fulton Fincl	Q	.17	6-20	7-15
Gen Binding	Q	.11	5-23	6-23
Gen Dynamics	Q	.41	7-18	8-15
Indiana Fedl	Q	.18	5-15	5-31
Ingersoll-Rand	Q	.205	5-19	6-2
Jefferson Svgs	Q	.10	5-20	6-3
Kansas City P&L	Q	.405	5-30	6-20
Life Re Corp	Q	.13	6-4	6-25
Mngd High Yld	M	.105	5-15	5-30
Manitowoc Co	Q	.1666	6-2	6-10
McKesson Corp	Q	.25	6-2	7-1
Mercury Gen	Q	.29	6-16	6-30
Mueller,Paul	Q	.60	5-19	6-13
Oglebay Norton	Q	.35	6-10	6-27
Penn Virginia	Q	.45	5-27	6-17
Polaroid Corp	Q	.15	5-23	6-21
Primex Tech	Q	.15	5-20	6-20
SJS Bancorp	Q	.11	5-13	5-27
St Francis Cap	Q	.12	5-9	5-22
TNP Enterprises	Q	.245	5-22	6-15

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration. a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99.cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stoc' split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

May 7, 1997

Grains

	High	Low	Latest	Chge	Opint
CORN (CBOT) 5,000 bu minimum- cents per bushel					
May 97	290½	287¼	288	—½	18,512
Jul 97	287¾	285	285¼	—¾	138,652
Sep 97	271½	269¾	270¼	+1	26,566
Dec 97	270½	267½	269	+1¼	109,290
Mar 98	275½	273½	274¼	+1¾	10,307
May 98	279	277	279	+2	815
Jul 98	283	280¼	282½	+2	2,488
Est. sales N.A. Tue's. sales 98,527					
Tue's open int 298,629 off 11200					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
May 97	303.00	299.50	301.90	+2.40	72,122
Jul 97	296.00	291.50	293.80	+1.30	51,079
Aug 97	282.00	277.80	279.70	+2.20	14,950
Sep 97	261.80	258.00	259.00	+1.90	8,653
Oct 97	234.30	232.50	234.20	+3.50	9,618
Dec 97	225.50	223.00	224.30	+2.10	17,766
Est. sales N.A. Tue's. sales 24,165					
Tue's open int 117,929 up 801					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
May 97	25.00	24.52	24.52	—0.33	1,415
Jul 97	25.27	24.82	24.84	—0.25	51,440
Aug 97	25.38	24.95	24.95	—0.23	13,143
Sep 97	25.42	25.03	25.05	—0.17	7,447
Oct 97	25.45	25.02	25.05	—0.26	7,325
Dec 97	25.67	25.20	25.28	—0.21	19,601
Est. sales N.A. Tue's. sales 20,379					
Tue's open int 100,972 off 426					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
May 97	903½	891	896	+2	6,297
Jul 97	902	887	892		106,034
Aug 97	869½	861	862	+¼	19,112
Sep 97	766	761	765¼	+6	8,004
Nov 97	708	703½	707½	+6¼	47,437
Est. sales N.A. Tue's. sales 57,764					
Tue's open int 192,150 up 521					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
May 97	402	395	395	+1	656
Jul 97	410	403	404¼	+1¾	60,355
Sep 97	416	409	410½	+2¼	13,450
Dec 97	427	422	421¾	+2½	15,271
Est. sales N.A. Tue's. sales 27,395					
Tue's open int 87,615 off 3393					

Livestock

	High	Low	Latest	Chge	Opint
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Jun 97	65.45	65.17	65.22	+0.05	37,512
Aug 97	65.55	65.20	65.52	+0.27	27,290
Oct 97	69.02	68.80	68.97	+0.17	16,297
Dec 97	70.82	70.52	70.80	+0.22	8,536
Feb 98	71.20	71.00	71.20	+0.17	5,219
Apr 98	73.10	72.85	73.10	+0.12	1,282
Est. sales 9,908 Tue's. sales 11,367					
Tue's open int 96,136 up 452					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
May 97	74.45	74.15	74.32	—0.18	4,330
Aug 97	77.10	76.65	76.92	—0.02	8,704
Sep 97	76.72	76.35	76.65		1,756
Oct 97	77.05	76.60	76.97		2,933
Nov 97	78.65	78.30	78.30	—0.15	1,457
Jan 98	79.10	79.10	79.10	—0.05	357
Est. sales 2,061 Tue's. sales 2,447					
Tue's open int 19,640 up 197					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Jun 97	85.45	84.10	84.37	—0.15	17,613
Jul 97	86.20	85.05	85.40	+0.25	7,309
Aug 97	84.00	83.17	83.47	+0.32	6,038
Oct 97	76.05	75.82	75.47	—0.05	5,280
Dec 97	73.10	72.20	73.02	+0.47	3,154
Est. sales 11,727 Tue's. sales 9,792					
Tue's open int 41,478 up 281					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
May 97	90.65	88.77	89.85	+2.05	705
Jul 97	92.90	90.70	91.05	+1.10	6,667
Aug 97	91.75	90.00	90.20	+1.45	1,568
Est. sales N.A. Tue's. sales 3,043					
Tue's open int 9,278 up 10					

Food

	High	Low	Latest	Chge	Opint
COCOA (NCSE) 10 metric tons- $ per ton					
May 97	1424	1415	1423	+24	193
Jul 97	1432	1420	1428	+19	31,724
Sep 97	1455	1446	1453	+17	13,437
Dec 97	1485	1474	1483	+16	18,078
Mar 98	1511	1506	1509	+16	20,149
May 98			1529	+16	8,553
Est. sales N.A. Tue's. sales 7,072					
Tue's open int 94,208 off 727					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
May 97	256.00	245.00	245.65	—3.95	958
Jul 97	218.00	209.00	211.40	—1.45	15,460
Sep 97	194.50	188.50	191.35	+1.20	7,030
Dec 97	173.00	169.25	171.30	+1.65	4,450
Mar 98	159.00	156.00	159.00	+2.00	1,816
Est. sales N.A. Tue's. sales 9,227					
Tue's open int 30,161 off 1125					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Jul 97	10.92	10.75	10.76	—0.12	74,334
Oct 97	10.73	10.62	10.64	—0.08	39,334
Mar 98	10.68	10.60	10.61	—0.06	23,609
May 98	10.62	10.57	10.57	—0.05	5,421
Est. sales N.A. Tue's. sales 7,449					
Tue's open int 146,094 up 725					

	High	Low	Latest	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
May 97	74.00	73.45	74.00	+0.60	548
Jul 97	75.40	74.60	74.75	—0.10	17,666
Sep 97	78.40	77.45	77.45	—0.35	6,387
Nov 97	80.60	80.25	80.25	—0.20	3,020
Est. sales N.A. Tue's. sales 1,392					
Tue's open int 29,991 up 241					

Metals

	High	Low	Latest	Chge	Opint
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
May 97			341.20	+1.00	1
Jun 97	343.00	341.40	342.40	+0.90	76,975
Jul 97			343.70	+0.90	
Aug 97	345.60	344.50	345.10	+0.90	18,431
Oct 97	348.00	347.80	347.80	+0.90	6,313
Dec 97	351.30	350.50	350.70	+1.00	21,987
Feb 98			353.60	+1.10	4,707
Apr 98			356.20	+1.10	3,163
Jun 98			359.10	+1.20	6,462
Est. sales N.A. Tue's. sales 34,162					
Tue's open int 168,134 up 1895					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
May 97	111.30	109.70	111.10	+1.35	4,296
Jun 97	111.10	110.00	111.05	+1.50	2,558
Jul 97	110.60	109.00	110.45	+1.40	24,045
Aug 97	108.60	108.20	108.60	+1.45	1,385
Sep 97	107.35	106.00	107.30	+1.55	5,362
Oct 97			105.45	+1.40	1,004
Nov 97			104.80	+1.75	1,159
Dec 97	103.80	102.00	103.80	+1.80	6,538
Jan 98			102.55	+1.60	495
Est. sales N.A. Tue's. sales 5,995					
Tue's open int 51,295 off 41					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
May 97	472.50	468.00	471.70	+2.60	297
Jun 97			473.40	+2.50	2
Jul 97	478.00	473.00	475.80	+2.50	57,756
Sep 97	482.00	479.00	480.70	+2.50	5,333
Dec 97	489.00	487.00	488.00	+2.60	7,336
Jan 98			490.30	+2.60	18
Mar 98	496.00	495.70	495.70	+2.60	7,332
May 98			500.80	+2.60	2,710
Est. sales N.A. Tue's. sales 12,179					
Tue's open int 86,192 up 1637					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jul 97	374.00	370.50	372.90	—0.10	12,840
Oct 97	374.50	372.50	374.30	—0.10	3,046
Jan 98			376.50	—0.10	1,180
Est. sales N.A. Tue's. sales 1,468					
Tue's open int 17,072 up 300					

LONDON METALS (LME) Dollars per metric ton		Close		Previous	
Aluminum (High Grade)					
Spot	1614½	1615½	1598.00	1599.00
Forward	1642.00	1643.00	1629.00	1630.00
Copper Cathodes (High Grade)					
Spot	2408.00	2410.00	2429½	2431½
Forward	2353.00	2354.00	2363.00	2364.00
Lead					
Spot	612.00	614.00	615½	616½
Forward	623.00	625.00	626.00	627.00
Nickel					
Spot	7445.00	7455.00	7330.00	7340.00
Forward	7560.00	7565.00	7445.00	7450.00
Tin					
Spot	5735.00	5745.00	5765.00	5775.00
Forward	5770.00	5780.00	5795.00	5800.00
Zinc (Special High Grade)					
Spot	1255½	1256½	1255½	1256½
Forward	1277.00	1278.00	1277.00	1277½

Financial

	High	Low	Close	Chge	Opint
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Jun 97	94.68	94.65	94.67	—0.02	5,942
Sep 97	94.46	94.43	94.44	—0.02	3,706
Dec 97			94.48		847
Est. sales N.A. Tue's. sales 752					
Tue's open int 9,648 off 301					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Jun 97	105-25	105-01	105-05	— 22	224,784
Sep 97	105-06	104-53	104-56	— 22	3,743
Dec 97			104-42	— 22	20
Est. sales N.A. Tue's. sales 32,878					
Tue's open int 229,847 up 1294					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Jun 97	107-09	106-24	106-26	— 13	304,168
Sep 97	106-22	106-10	106-10	— 17	34,841
Dec 97	106-09	106-09	106-09	— 05	1,890
Est. sales N.A. Tue's. sales 62,775					
Tue's open int 345,063 up 4164					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Jun 97	110-03	109-08	109-11	— 24	477,727
Sep 97	109-16	108-28	108-30	— 24	60,410
Dec 97	109-02	108-22	108-23	— 19	9,666
Mar 98			108-09	— 24	1,756
Est. sales N.A. Tue's. sales 316,960					
Tue's open int 562,341 up 11975					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Jun97	113-18	113-01	113-09	— 0-04	197,042
Sep97	113-17	113-08	113-15	— 0-01	4,699
Est. sales: 90,745. Prev. sales: 236,433					
Prev. open int.: 201,741 up 18,612					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Jun97	101.85	101.67	101.76	— 0.10	267,146
Sep97	100.78	100.70	100.75	— 0.10	24,157
Est. sales: 96,387. Prev. sales: 161,725					
Prev. open int.: 291,303 off 8,588					

	High	Low	Latest	Chge	Opint
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Jun 97	129.66	129.46	129.52	+0.04	152,469
Sep 97	128.06	127.94	127.98	+0.04	10,590
Dec 97	97.54	97.54	97.40	— 0.08	0
Est. volume: 83,385. Open Int.: 163,259 up 2,992.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Jun97	129.35	128.61	129.23	+ 0.40	109,965
Sep97	129.57	129.36	129.50	+ 0.40	6,575
Est. sales: 58,199. Prev. sales: 62,207					
Prev. open int.: 116,540 up 1,260					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Mar 97			92.07	—0.05	520
May 97	94.14	94.12	94.13	—0.01	40,982
Jun 97	94.07	94.04	94.05	—0.02	469,568
Jul 97	93.99	93.97	93.97	—0.02	7,171
Sep 97	93.86	93.82	93.84	—0.03	429,529
Dec 97	93.66	93.60	93.61	—0.05	315,579
Mar 98	93.54	93.47	93.48	—0.06	237,202
Jun 98	93.43	93.36	93.36	—0.07	222,006
Sep 98	93.34	93.27	93.28	—0.07	158,323
Dec 98	93.22	93.16	93.17	—0.07	124,222
Mar 99	93.22	93.16	93.17	—0.07	94,916
Jun 99	93.18	93.12	93.13	—0.07	77,878
Est. sales N.A. Tue's. sales 273,561					
Tue's open int 2,604,728 up 2207					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Jun 97	1.6386	1.6150	1.6176		38,893
Sep 97	1.6360	1.6148	1.6148		1,051
Dec 97	1.6306	1.6124	1.6124		101
Est. sales N.A. Tue's. sales 18,856					
Tue's open int 40,045 up 841					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Jun 97	.7295	.7251	.7256		67,921
Sep 97	.7317	.7290	.7299		6,083
Dec 97	.7361	.7334	.7336		1,426
Est. sales N.A. Tue's. sales 7,918					
Tue's open int 76,382 off 866					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Jun 97	.5840	.5807	.5831		82,629
Sep 97	.5876	.5861	.5870		3,506
Dec 97			.5911		335
Est. sales N.A. Tue's. sales 19,549					
Tue's open int 86,503 up 1122					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Jun 97	.8075	.7998	.8045		79,557
Sep 97	.8190	.8153	.8154		1,850
Dec 97			.8268		720
Est. sales N.A. Tue's. sales 38,275					
Tue's open int 82,137 off 7567					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Jun 97	.6905	.6854	.6878		44,433
Sep 97	.6966	.6939	.6947		2,249
Dec 97	.7044	.7040	.7020		443
Est. sales N.A. Tue's. sales 24,633					
Tue's open int 47,165 up 969					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Jun97	93.43	93.40	93.42	+ 0.01	115,243
Sep97	93.21	93.16	93.19	Unch.	97,055
Dec97	93.06	93.00	93.01	— 0.05	83,464
Mar98	92.97	92.88	92.90	— 0.07	55,317
Jun98	92.89	92.79	92.81	— 0.09	44,661
Sep98	92.84	92.73	92.75	— 0.10	27,459
Dec98	92.79	92.69	92.71	— 0.09	23,720
Est. sales: 121,812. Prev. sales: 230,033					
Prev. open int.: 486,657 up 7,620					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
May97	96.80	96.80	96.80	Unch.	4,753
Jun97	96.79	96.78	96.78	— 0.01	232,704
Jul97	N.T.	N.T.	96.77	Unch.	1,422
Sep97	96.74	96.72	96.72	— 0.02	210,702
Dec97	96.60	96.58	96.59	— 0.01	234,631
Mar98	96.48	96.45	96.46	— 0.01	192,007
Jun98	96.31	96.28	96.30	Unch.	146,179
Sep98	96.10	96.08	96.10	Unch.	122,754
Dec98	95.87	95.84	95.86	— 0.01	82,354
Est. sales: 86,246. Prev. sales: 152,116					
Prev. open int.: 1,408,068 up 13,838					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Jun 97	96.36	96.33	96.34	+0.00	72,928
Sep 97	96.46	96.42	96.44	+0.02	53,590
Dec 97	96.47	96.42	96.44	+0.02	35,576
Mar 98	96.41	96.37	96.38	+0.01	27,594
Jun 98	96.29	96.26	96.26	+0.01	23,689
Sep 98	96.15	96.11	96.12	+0.01	21,415
Est. volume: 82,153. Open Int.: 280,619 up 7,365.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Jun97	93.28	93.21	93.25	— 0.02	110,850
Sep97	93.58	93.51	93.55	— 0.01	76,353
Dec97	93.71	93.66	93.69	Unch.	53,041
Mar98	93.76	93.68	93.73	+ 0.01	34,408
Jun98	93.73	93.68	93.71	+ 0.02	24,034
Est. sales: 29,881. Prev. sales: 32,901					
Prev. open int.: 308,943 up 3,568					

Industrials

	High	Low	Latest	Chge	Opint
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
May 97	70.20	69.90	70.17	—0.03	55
Jul 97	72.10	71.65	71.92	—0.10	40,993
Oct 97	73.50	73.30	73.33	—0.15	3,016
Dec 97	74.59	74.35	74.46	—0.17	23,491
Mar 98	75.75	75.65	75.65	—0.25	3,415
Est. sales N.A. Tue's. sales 16,806					
Tue's open int 73,738 up 413					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Jun 97	54.20	53.00	53.00	—0.53	37,112
Jul 97	54.45	53.20	53.28	—0.34	28,908
Aug 97	54.45	54.00	54.30	+0.26	14,335
Sep 97	54.95	54.80	54.80	+0.01	8,367
Oct 97	55.75	55.40	55.50	—0.04	8,337
Nov 97	56.50	56.30	56.30	+0.01	7,357
Dec 97	57.20	56.70	56.70	—0.24	12,239
Jan 98	57.60	57.50	57.60	+0.26	7,967
Feb 98	57.70	57.10	57.10	+0.06	3,669
Est. sales N.A. Tue's. sales 23,778					
Tue's open int 137,234 up 1956					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Jun 97	19.90	19.57	19.60	—0.06	89,219
Jul 97	19.95	19.70	19.70	—0.05	54,919
Aug 97	19.93	19.71	19.71	—0.07	30,492
Sep 97	19.92	19.74	19.76	—0.03	18,052
Oct 97	19.89	19.75	19.75	—0.04	15,951
Nov 97	19.90	19.82	19.83	+0.04	13,836
Dec 97	19.90	19.70	19.70	—0.08	33,169
Jan 98	19.87	19.87	19.87	+0.09	14,657
Feb 98	19.87	19.87	19.87	+0.09	8,161
Mar 98	19.87	19.86	19.70	—0.07	4,261
Est. sales N.A. Tue's. sales 72,279					
Tue's open int 392,509 up 1780					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Jun 97	2.430	2.295	2.350		41,892
Jul 97	2.440	2.328	2.365		28,074
Aug 97	2.415	2.389	2.340		17,690
Sep 97	2.388	2.290	2.325		15,237
Oct 97	2.387	2.311	2.355		16,984
Nov 97	2.485	2.445	2.455		7,982
Dec 97	2.590	2.535	2.555		12,315
Jan 98	2.635	2.580	2.605		12,097
Feb 98	2.535	2.490	2.515		8,017
Mar 98	2.400	2.365	2.390		5,557
Est. sales N.A. Tue's. sales 43,369					
Tue's open int 204,704 up 2301					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Jun 97	61.65	59.75	60.92	+0.61	50,310
Jul 97	60.70	60.00	60.07	+0.37	18,635
Aug 97	59.65	59.10	59.10	+0.30	8,150
Sep 97	58.45	57.85	57.85	+0.15	3,498
Oct 97	56.45	56.00	56.00	+0.07	2,448
Nov 97			55.30	+0.07	1,414
Dec 97	55.35	55.00	55.00	+0.07	3,921
Est. sales N.A. Tue's. sales 22,368					
Tue's open int 89,414 up 187					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
May 97	168.50	166.25	167.50	+ 1.00	17,241
Jun 97	167.50	165.75	166.50	+ 0.25	22,423
Jul 97	168.00	167.25	167.50	Unch.	8,638
Aug 97	169.75	169.00	169.25	— 0.50	7,108
Sept 97	171.00	171.25	171.50	— 0.25	3,230
Oct 97	173.50	173.00	173.25	— 0.25	3,633
Nov 97	174.75	174.50	174.50	— 0.25	1,566
Dec 97	175.50	175.25	175.25	Unch.	7,634
Est. sales: 20,964. Open Int.: 75,752 up 1,113					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
June 97	18.28	18.09	18.16	+ 0.09	44,280
July 97	18.37	18.18	18.22	+ 0.07	71,512
Aug 97	18.48	18.32	18.34	+ 0.02	18,269
Sep 97	18.59	18.45	18.46	Unch.	10,146
Oct 97	18.64	18.55	18.55	+ 0.02	6,776
Nov97	18.64	18.57	18.57	— 0.01	5,631
Dec97	18.65	18.59	18.57	— 0.02	8,414
Jan98	18.59	18.59	18.56	— 0.02	7,351
Est. sales: 29,325. Open int.: 178,020 up 2,810					

Stock Indexes

	High	Low	Latest	Chge	Opint
S&P COMP. INDEX (CMER) 500 x index					
Jun 97	834.70	825.60	827.80	—7.05	186,242
Sep 97	840.00	834.20	835.00	—8.35	7,073
Dec 97	849.55	844.50	844.50	—8.50	3,425
Est. sales N.A. Tue's. sales 83,725					
Tue's open int 197,295 up 200					
FTSE 100 (LIFFE) £25 per index point					
Jun97	4575.0	4531.0	4553.0	+ 16.0	62,752
Sep97	4590.0	4568.0	4585.0	+ 16.0	3,463
Dec97	4627.5	4627.5	4625.5	+ 14.5	320
Est. sales: 13,209. Prev. sales: 19,082					
Prev. open int.: 66,535 up 2,457					
CAC 40 (MATIF) FF200 per index point					
May 97	2656.0	2618.0	2630.0	— 15.00	25,747
Jun 97	2629.5	2597.0	2606.0	— 15.00	23,742
Jly 97	N.T.	N.T.	2605.0	— 16.00	50
Sep 97	2645.0	2612.5	2619.0	— 15.50	10,519
Est. volume: 11,702. Open int.: 69,588 off 552.					

Commodity Indexes

	Close	Previous
Moody's	N.A.	N.A.
Reuters	1,973.80	1,988.70
D.J. Futures	159.81	159.56
CRB	246.61	245.82

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

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Textile Giant Joins Seoul's Roster of Failed Firms

Compiled by Our Staff From Dispatches

SEOUL — Yusung Co., South Korea's biggest woolen textile maker, said Wednesday it had filed for bankruptcy, raising concern about a string of company insolvencies.

A spokesman for Yusung said its creditors declared the company insolvent after it failed to honor bank promissory notes for 227 million won ($254,000) Tuesday.

Yusung's collapse was triggered by its expansion into apartment-building construction as the property market slumped, the spokesman said. The company has debts of 66.6 billion won and assets of 88.5 billion won.

"It's not a big surprise, as most textile companies are suffering from the slump in the industry," Kwon Oh Soon, an analyst at Hannuri Salomon Securities Co., said.

Last year, Yusung had a net profit of 430 million won on sales of 57.58 billion won.

The stock exchange suspended trading in Yusung's shares and said the suspension would remain in effect Thursday.

South Korea's textile industry — the world's fourth-biggest in terms of exports — saw its overseas sales fall for the first time last year. The Korea Textile Industry Association said exports were down 3.7 percent, at $17.71 billion.

Yusung's failure follows the collapse of the Hanbo and Sammi steel-making groups early this year and a bank bailout of Jinro Group, a food, liquor and industrial conglomerate, last month. *(Bloomberg, AFP)*

'Seven Samurai' Light Up Japan

Bloomberg News

TOKYO — A group known as the "Seven Samurai" is poised to outshine more than 2,000 other Japanese companies reporting full-year earnings over the next three weeks.

Sony Corp., Toyota Motor Corp., Honda Motor Co. and four other so-called samurai stocks have helped fuel Japan's stock-market rebound that pushed the benchmark Nikkei 225 stock average to a high for 1997 on Tuesday. The average slipped Wednesday to close at 20,048.90, down 132.02 points.

The stronger dollar made these companies' cars and computer chips cheaper abroad and increased the yen value of overseas sales. But these companies have more than the dollar going for them: They are among Japan's most efficient, innovative companies, bright spots in an otherwise ailing economy.

Canon Inc., for instance, has transformed itself from a camera maker to a company whose sales come mostly from automated office equipment such as computer printers and copying machines. While TDK Corp. remains the world's largest maker of video and audio tapes, it also is a leading producer of semiconductor components. Hoya Corp. has used its expertise in eyeglasses to carve out a niche in the booming market for glass disks used in personal computers. The specialty-microchip maker Rohm Co. rounds out the seven.

The group has helped the Japanese economy fend off recession just as the original Seven Samurai, the title characters of Akira Kurosawa's 1954 film, battled bandits to save a village.

"These are the globally competitive members of Japanese industry," said Ken Okamura, a strategist in the Tokyo office of Dresdner Kleinwort Benson (Asia) Ltd. "They make products people want to buy and do it at a good price."

The seven companies' current, or pretax, profits rose an average of 70 percent in the most recent fiscal year, according to results from the two companies that have reported earnings and forecasts by those that have not. That compares with a forecast 10 percent increase for the average nonfinancial Japanese company.

Superior earnings performance has led investors to push up the stocks of the seven an average of 25 percent so far this year and 59 percent since this time last year. The Nikkei 225 stock index, by comparison, has risen only 4 percent this year and fallen almost 7 percent from 12 months ago. The exporters also have been helped by the dollar's 17 percent rise against the yen during the year ended March 31.

The shares of all seven have risen to record highs in the past month. Sony, which announces results Thursday, expects to post a record 124 percent increase in pretax profit for the year ended March 31. Its stock closed Wednesday at a record 9,630 yen ($76), up 130. Honda, which has rolled out a series of popular new sport utility vehicles such as the CR-V, expects to post record profit when it reports earnings May 20.

Still, these samurai aren't the only winning warriors in corporate Japan. Brokerages use terms such as the "Nifty 30" or "Sweet Little 16" for lists of recommended companies that include Bridgestone Corp., Fuji Photo Film Co., Taisho Pharmaceutical Co. and the silicon producer Shin-Etsu Chemical Co.

"Blue-chip exporter stocks aren't going to lose their luster anytime soon," Akitsugo Dando of Okasan Economic Research Institute said. "They've got solid earnings, and the shares are just plain popular."

A Slump at Sony Music

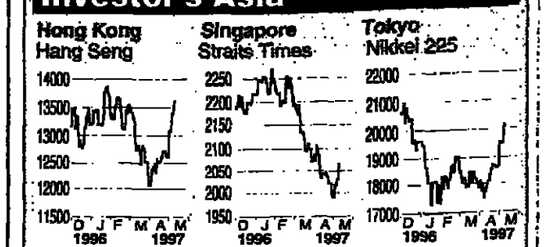
Compiled by Our Staff From Dispatches

TOKYO — Sony Music Entertainment (Japan) Inc. said Wednesday that its earnings for the financial year ended March 31 fell sharply because of a shortage of hits.

The company, whose artists include Michael Jackson, said pretax profit fell 33 percent, to 12.8 billion yen ($101 million). Revenue rose to 205.2 billion yen from 196.8 billion yen.

The company said it would earn 14.5 billion yen in the current year on revenue of 215.6 billion yen. Shares in Sony Music dropped 50 yen, to 4,420. *(Reuters, Bloomberg, AFX)*

Investor's Asia



Exchange	Index	Wednesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	13,605.91	13,579.34	+0.20
Singapore	Straits Times	2,068.13	2,055.66	+0.61
Sydney	All Ordinaries	2,517.60	2,512.80	+0.19
Tokyo	Nikkei 225	20,048.90	20,180.92	-0.65
Kuala Lumpur	Composite	1,107.14	1,090.00	+1.57
Bangkok	SET	626.57	643.28	-2.60
Seoul	Composite Index	689.10	701.57	-1.78
Taipei	Stock Market Index	8,427.07	8,294.27	+1.60
Manila	PSE	2,694.48	2,776.53	-2.95
Jakarta	Composite Index	686.84	659.60	+1.10
Wellington	NZSE-40	2,328.37	2,305.24	+1.00
Bombay	Sensitive Index	3,753.50	3,781.49	-0.74

Source: Telekurs International Herald Tribune

Mining Firm Rejects Jakarta's Demand for 10% Stake

Compiled by Our Staff From Dispatches

JAKARTA — The Indonesian subsidiary of Newmont Mining Corp. rejected a government request Wednesday for a 10 percent stake in its Batu Hijau copper and gold project.

"It is not feasible," said Eric Hamer, director of PT Newmont Nusa Tanggara. "We are already carrying a 20 percent partner," he added, referring to a local company.

I.B. Sudjana, the minister of mines and energy, said Tuesday that the government had asked Newmont Nusa Tanggara for at least a 10 percent stake in the project in West Nusa Tenggara Province.

But Mr. Sudjana said Wednesday that he had no problem with Newmont's rejection and that "the case was closed."

The request came shortly after a consultant's report on the Busang goldfield on the Indonesian portion of the island of Borneo. The report said geological samples suggesting that Busang held huge gold reserves had been falsified and that the site contained no significant quantities of gold.

Indonesia said Wednesday that the state-owned mining company PT Aneka Tambang would take over operations at Busang. "After all, it is our property," Mr. Sudjana said.

Newmont Nusa Tenggara has a 45 percent share of the Batu Hijau mine, Sumitomo Corp. of Japan holds 35 percent, and the other 20 percent belongs to PT Pukuafu Indah, which is controlled by the Indonesian executive Jusuf Merukh.

Batu Hijau's gold reserves are estimated at 14.7 million ounces (411,600 kilograms). Production has yet to begin, Mr. Hamer said, as Newmont Nusa Tanggara has been waiting six months for a government permit. *(Reuters, AFP)*

Very briefly:

- **Toyota Motor Corp.** will invest £60 million ($98.1 million) to expand its engine plant in Wales.
- **Jardine Matheson Holdings Ltd.** executives met with Deputy Prime Minister Zhu Rongji in Beijing to discuss the development of its businesses in Hong Kong and in China.
- **Pioneer Electronic Corp.** plans to launch the world's first digital videodisk car-navigation system in Japan in June.
- **Japan's** 21 leading computer companies shipped 2.08 million personal computers within the country in the first quarter of 1997, an increase of 22 percent from a year earlier.
- **The Philippines'** central bank will impose curbs on dollar lending, analysts said, to try to stem a surge in money supply.
- **Natural Park PCL** of Thailand said its **Natural Place Tower Co.** property-development unit had stopped paying interest and principal on some loans, on the same day that the government started a $2 billion borrowing program to aid property and finance companies. *Bloomberg, Reuters*

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EMPIRE: 'Asian Rupert Murdoch' Encounters Hard Times in His Media Holdings

Continued from Page 15

Internet and mobile telephone links to the widely dispersed Asian market, much of it poorly served by existing infrastructure and low-quality cable networks. All of them are losing money, he said.

Among the proposed network's chief competitors is Rupert Murdoch's STAR-TV, which currently beams television programming into 54 million homes in 53 countries, according to a company representative. Unlike STAR, which is funneled through cable systems and requires an 11-foot (3.5-meter) satellite dish to receive its signal, ABCN plans on distributing channels directly into homes equipped with a decoder and an 18-inch (45-centimeter) satellite dish.

Undaunted, the Thai entrepreneur is forging ahead, currently scouring Europe and America for financial backing and preparing the ground for a $350 million bond issue to raise capital within two months, according to Mr. Vizas. At present, the network is capitalized at $125 million, he said, with 65 percent owned by M Group.

Thus far, ABCN has lined up a consortium of American, Canadian, Japanese partners. The American-based direct pay-television provider EchoStar Communications Corp., whose merger with Rupert Murdoch's Asia Sky Broadcasting Ltd. recently came apart, will be supplying the network's decoders. Space Systems/Loral, a subsidiary of U.S.-based Loral Space & Communications Corp., is slated to build two satellites to be launched by rockets supplied by Arianespace of France.

Telesat Canada and Itochu Corp. of Japan round out the list of overseas investors.

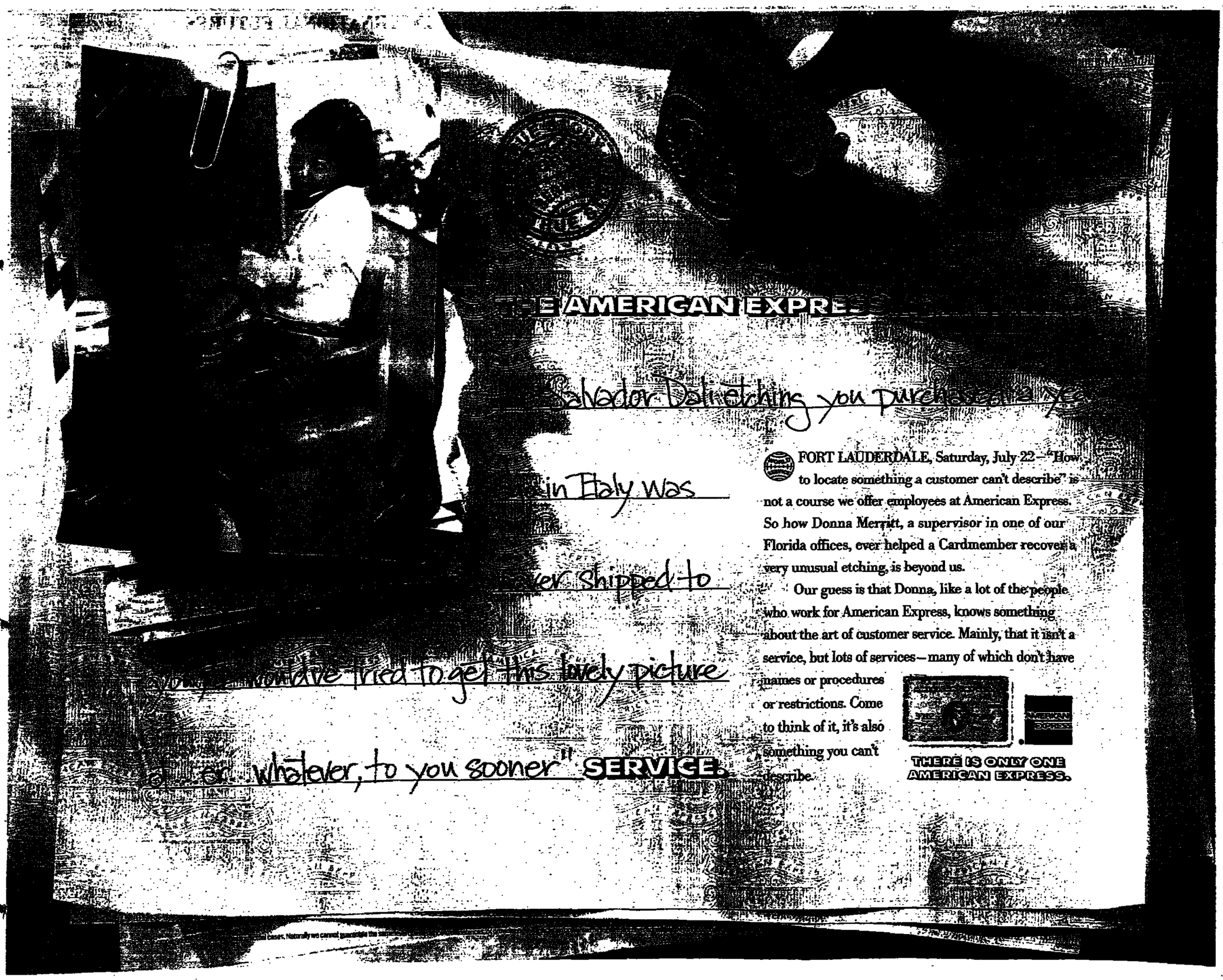
Australia Retreats on Media Plan

Agence France-Presse

SYDNEY — Prime Minister John Howard ruled out holding a public inquiry on Wednesday into Australia's media ownership rules amid speculation that his government would be defeated on the issue.

A number of ministers have been widely reported to oppose any moves to relax the rules on cross-media ownership, which would have allowed the television magnate Kerry Packer to take over the John Fairfax newspaper chain.

The Australian Financial Review, meanwhile, reported that The Economist Group of Britain had expressed interest in acquiring two Fairfax companies: the Financial Review and the magazine group BRW Pubications, which publishes the Business Review Weekly.



Continued on Page 19

NASDAQ

Wednesday's 4 P.M.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.

The Associated Press.

NYSE

Wednesday's 4 P.M. Close

(Continued)

ICI to Pay $8 Billion For Unilever Units

Deal Targets Specialty Chemicals

Compiled by Our Staff From Dispatches

LONDON — Unilever Group, the British-Dutch conglomerate, is selling its specialty-chemicals businesses to Imperial Chemical Industries PLC for $8 billion, the companies said Wednesday.

ICI said the purchase of Unilever's adhesives, starch, food-ingredients and flavors divisions would lessen its dependence on the highly cyclical bulk-chemicals business. Unilever can use the cash to strengthen its core consumer-products business that includes brand names such as Dove soap, Breyer's ice cream and Lipton tea, analysts said.

The acquisition comes in a time of global consolidation in the $100 billion specialty-chemicals market as manufacturers struggle to cut costs and build market share in the face of narrowing profits and volatile raw-material prices.

Last month, Novartis AG spun off its Ciba Specialty Chemicals AG unit, and last year Clariant AG announced plans to merge with Hoechst AG's specialty-chemicals division.

"The chemicals industry is going through a phase of aggressive consolidation," said Morris Tabaksblat, Unilever's co-chairman. "We either needed to invest further or get out."

ICI's chairman, Sir Roger Hampel, said the purchase would make his company "a formidable new force in specialty chemicals."

While Unilever has been showing a profit in its chemicals operations, the company said in February that it wanted to focus on consumer goods such as foods and soap, which account for 90 percent of its business.

Analysts said Unilever was wise to sell now, when the chemicals businesses were in good shape, rather than in a few years when they might require substantial investment to remain competitive.

Unilever's other co-chairman, Niall FitzGerald, said the company would use the cash to reduce its debt, then to develop its businesses by expanding some operations and possibly buying other companies.

On the London Stock Exchange, shares in ICI rose 41 pence to close at 756 ($12.40), while Unilever rose 2 to close at £16.53.

Mr. Tabaksblat said Unilever was juggling ideas on where to invest the $8 billion — whether to expand product lines through acquisitions or to invest in existing businesses. Shares in Reckitt & Coleman PLC, considered a possible candidate for takeover, rose 14 to close at 885.

"We'll give ourselves two years to find the right place to invest in," said Mr. Tabaksblat. "Then another option would be to give it back to our shareholders."

Separately, Moody's Investors Service Inc. said it had lowered and left under review for a potential further downgrade all long-term debt ratings of ICI and its financially supported subsidiaries.

(Bloomberg, AP)

CEO's Firing Hits Shares of Retailer Casino

Bloomberg News

PARIS — Casino Guichard-Perrachon SA's shares fell 1.3 percent Wednesday after the company dismissed its chief executive, a surprise move that caused concern that its merger with Promodes SA would be delayed.

Money managers said investors had been looking to the supermarket operator's merger with Promodes, France's second-biggest publicly traded food retailer, to help the companies compete with Carrefour SA, the sector's largest company.

Casino's shares closed at 272 francs ($46.6), down 3.50, after the departure of Georges Plassat, the chief executive officer. Fund managers said he had been fired in a dispute with Jean-Charles Naouri, president of the supervisory board, over issues concerning the merger. Mr. Naouri is Casino's largest shareholder through Euris and Rallye, companies that he controls.

Labour: Over to You, Eddie

By Peter Truell
New York Times Service

It's Eddie's show now.

Britons used to refer jokingly to the polite public sparring over interest-rate policy between Kenneth Clarke, then the chancellor of the Exchequer, and Edward George, the governor of the Bank of England, as "The Ken and Eddie Show."

Thanks to Gordon Brown, the new Labour government's chancellor, Mr. George, a solid central banker with a reputation for reliability and toughness, should have more leeway in adjusting interest rates to try to achieve greater price stability without government interference.

Mr. Brown, as he announced Tuesday, is giving Mr. George and the Bank of England full operational independence, something the bank has quietly but unofficially wanted for many years. It is eager to ensure that "the right decisions are taken on interest rates," as one insider put it Tuesday.

Mr. George was appointed governor of the Bank of England in July 1993 for a five-year term. He is expected to use this greater independence to continue pursuing a vigorous anti-inflation policy.

There was friction between the bank and the former Conservative government over when to raise interest rates and by how much, and the views of Mr. George, who has managed to preserve a reputation both for loyalty and for skepticism, became widely known.

Mr. George is now a freer man.

Unlike some previous bank governors, Mr. George has made his own way in life. The son of a postal clerk, he won a scholarship to Dulwich College, a respected London secondary school, from which he went on to study economics at Cambridge University. After graduating in 1962, he joined the Bank of England, rising first on the international side and then through its markets division.

The greater independence being given Mr. George and the bank is expected to bring Britain more in line with American and German central-banking traditions. The Federal Reserve Board and the Bundesbank have long had greater freedom from political interference than the Bank of England.

Before now, Mr. George and his colleagues have advised the Treasury on rate policy. Now, through a proposed monetary-policy committee, they should be freer to carry out those policies themselves.

"It's the establishment of a Federal Reserve-type system," said Geoffrey Dennis, a British economist.

Particularly since the pound was forced out of the European exchange-rate mechanism in September 1992, Mr. George has been cautious and is likely to use his new independence to argue that there must be a greater convergence of national economic policies before Britain can seriously plan to join the European Monetary Union.

"Our concern," he said in a speech last month to the Foreign Bankers Association in Amsterdam, "is that premature monetary union," meaning one between countries whose economic objectives were not convergent, "would put European prosperity at unnecessary risk."

Successive governments, Conservative and Labour alike, have frequently meddled with interest-rate policy, often to improve their short-term political fortunes without much regard for the longer-term consequences to the economy.

That, as Mr. George said in his speech in Amsterdam last month, has left Britain with a "fairly checkered monetary history" since World War II that has often contributed to its "exaggerated boom-bust economic cycle."

Cost Cuts Bolster Lufthansa Pretax

Compiled by Our Staff From Dispatches

FRANKFURT — Deutsche Lufthansa AG posted on Wednesday a pretax profit for the first three months of 1997 and said it expected profit for the full year to be "markedly" above that of 1996.

The German national airline said first-quarter pretax profit was 20 million Deutsche marks ($11.6 million), as it cut costs and international traffic increased. Sales rose 8 percent to 4.94 billion DM. Lufthansa posted a pretax loss of 49 million DM in the first quarter of 1996.

The company said 1996 net profit fell to 558.1 million DM, after surging to 1.48 billion DM in 1995 on one-time gains. Lufthansa's 1996 pretax profit was 686 million DM.

Shares in the airline rose 85 pfennig, to 26.85 DM.

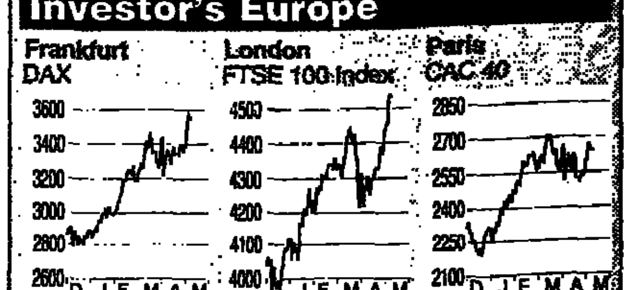
According to figures published last month, Lufthansa carried 9.2 million passengers in the first quarter, an increase of 1.3 percent. The number of passengers in Europe rose 3.8 percent, but Americas traffic increased 18 percent and Asia traffic grew 11.8 percent.

The passenger load factor, a measure of how full planes are, and thus an indicator of airline performance, rose 3.3 percent. *(Bloomberg, AP)*

■ Airbus 1996 Net Falls 17%

Airbus Industrie's net profit fell 17 percent in 1996, to 707.3 million DM, amid lower sales, according to the annual report of Daimler-Benz Aerospace AG, a partner in the planemaker, Bloomberg News reported from Paris. Each of the four consortium partners includes operating profit from their Airbus activities in financial reports, but the Daimler report was the first time net profit had been available publicly.

Investor's Europe



Exchange	Index	Wednesday Close	Prev. Close	% Change
Amsterdam	AEX	775.99	781.76	[illegible]
Brussels	BEL-20	2,234.75	2,253.87	[illegible]
Frankfurt	DAX	3,551.98	3,569.28	[illegible]
Copenhagen	Stock Market	556.48	554.45	[illegible]
Helsinki	HEX General	3,002.04	3,031.04	[illegible]
Oslo	OBX	608.57	607.03	+0.25
London	FTSE 100	4,537.58	4,520.10	[illegible]
Madrid	Stock Exchange	524.12	527.23	-0.59
Milan	MIBTEL	12,226.08	12424	[illegible]
Paris	CAC 40	2,643.31	2,651.93	-0.33
Stockholm	SX 16	2,969.46	2,961.18	+0.28
Vienna	ATX	1,227.21	1,217.47	+0.80
Zurich	SPI	3,167.28	3,150.77	+0.52

Source: Telekurs — International Herald Tribune

Very briefly:

- **EUnet International BV** of the Netherlands and **Asia Internet Holding Co.** of Japan agreed to link their computer network services as early as July.
- **Avtozaz,** Ukraine's only maker of passenger cars, said **Daewoo Corp.** and **General Motors Corp.** were considering joining with it in an automaking venture.
- **Russia** issued a decree setting export quotas on diamonds, a step that frees the industry to ship diamonds abroad through the end of this month, according to a senior official at the diamond producer **Almazy Rossii-Sakha.**
- **SAP AG's** top managers signed statements denying any violation of insider-trading law, as an inquiry continued into a sharp drop in the German software company's stock last year.
- **Bayerische Vereinsbank AG** plans to eliminate 800 jobs in Germany, equal to 4 percent of its work force, within two years. The bank also said first-quarter trading income nearly doubled from a year earlier, resulting in a 19 percent increase in operating profit before risk provisions, to 614.7 million Deutsche marks ($355.5 million).
- **Dalgety PLC** shares plunged 41 pence to 269 ($4.40), an eight-year low, after the food-products company said the British "mad cow" crisis had forced it to cut its dividend by one-third and take a charge to close plants.
- **La Rinascente SpA** shares fell 772 lire to 8,586 ($5.02) after an agreement by the investment company **IFIL SpA** to sell part of its controlling stake in the top Italian retailer to **Auchan SA** of France.
- **Pharmacia & Upjohn** intends to close 24 of 57 plants, a Swedish daily reported, saying the shutdowns were part of a five-point program to increase profitability and cut costs.
- **OPEC** should abandon its outdated policy of strict output quotas and make revenue its sole policy objective, Subroto, a former secretary-general of the Organization of Petroleum Exporting Countries, said.

Bloomberg, Reuters, AFP

The Trib Index

Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	159.33	-0.50	-0.31	+6.83
Regional Indexes				
Asia/Pacific	117.98	+0.16	+0.14	-4.42
Europe	166.93	-0.07	-0.04	+3.55
N. America	185.71	-1.43	-0.76	+14.70
S. America	146.27	-1.43	-0.97	+27.82
Industrial Indexes				
Capital goods	195.47	+0.02	+0.01	+14.36
Consumer goods	182.24	-1.63	-0.89	+12.89
Energy	187.00	-0.75	-0.40	+9.54
Finance	116.76	+0.06	+0.05	+0.26
Miscellaneous	160.12	-1.04	-0.65	-1.03
Raw Materials	183.34	-2.60	-1.40	+4.54
Service	147.30	-0.45	-0.30	+7.27
Utilities	135.94	+0.20	+0.15	-5.24

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg News.

WORLD STOCK MARKETS

Wednesday, May 7
Prices in local currencies.
Telekurs

Amsterdam — AEX Index: 775.99 Previous: 781.76

	High	Low	Close	Prev.
ABN-AMRO	137.20	135.80	136.10	136.80
Aegon	140.70	138.90	139.20	140.30
Ahold	141.80	140	141.50	142
Akzo Nobel	259.80	257.30	257.30	259
Baan Co.	111.70	108.60	111.20	108.90
Bols Wess cva	38.60	37.60	37.80	38.40
CSM cva	112.60	111.70	111.80	112.50
Dordtsche Pet	372	365.70	369	368.30
DSM	202	197.50	200.90	198.50
Elsevier	32.90	32.40	32.90	32.40
Fortis Amev	76.40	73.70	74.60	76.20
Getronics	63.40	62.50	63	62.90
G-Brocades cva	67	65.60	65.60	66.90
Hagemeyer	N.T.	N.T.	N.T.	174.70
Heineken	340.40	338	339	338.30
Hoogovens cva	90.70	89.70	89.90	90.70
Hunt Douglas	171	167.50	170.80	171.80
ING Group	78.40	77.10	77.70	79.30
KLM	59.60	58.80	58.90	59.30
KNP BT	39.50	38.80	39.10	39.30
KPN	68.20	67.50	68.10	69.60
Nedlloyd Gp	45	44.60	44.60	44.90
Nutricia	294.50	291.70	293.50	294
Oce Grinten	243	238	238	242.50
Philips Elec	105.30	103.80	104.20	105.20
Polygram	102	98.60	99.40	99.40
Randstad Hdg	186	182.50	183.50	182.50
Robeco	169.90	168.20	168.20	169
Rodamco	61.40	60.60	60.60	61
Rolinco	170.40	170	170	171.50
Rorento	109.90	109.30	109.50	109.40
Royal Dutch	358.30	355.80	356.20	355.50
Unilever cva	382	379	379.50	382
Vendex Intl	95.90	94.20	94.60	95.70
VNU	40.70	39.80	40	40.90
Wolters Kl cva	228.40	225.30	226.10	226.80

Bangkok — SET Index: 626.57 Previous: 643.38

	High	Low	Close	Prev.
Adv Info Svc	159	147	157	160
Bangkok Bk F	240	234	238	240
Krung Thai Bk	29.75	28.25	28.75	30
PTT Explor	310	284	304	312
Siam Cement F	668	648	652	676
Siam Com Bk F	151	147	149	151
Telecomasia	37.75	35.25	35.50	37.75
Thai Airways	37.75	34.50	37.50	37.50
Thai Farm Bk F	159	154	154	157
Utd Comm	150	135	150	145

Bombay — Sensex 30 Index: 3751.50 Previous: 3781.49

	High	Low	Close	Prev.
Bajaj Auto	882.50	865	865	880
Hindust Lever	1082	1063	1064.25	1079
Hindust Petm	434.50	429	429.25	431.50
Ind Dev Bk	89	88	88.50	88.75
ITC	412	406	407.25	410.25
Mahanagar Tel	285.50	280.50	282.50	284.25
Reliance Ind	304	300	300.50	303
State Bk India	310.25	304.50	305	306.75
Steel Authority	20.75	20.25	20.50	20.50
Tata Eng Loco	378	371	374.50	377.25

Brussels — BEL-20 Index: 2234.75 Previous: 2253.87

	High	Low	Close	Prev.
Almanij	15100	14850	14875	15125
Barco Ind	6230	6190	6200	6200
BBL	8960	8870	8960	8930
CBR	3600	3475	3490	3590
Colruyt	14400	14350	14375	14350
Delhaize Lion	1810	1795	1795	1800
Electrabel	8170	8150	8160	8150
Electrafina	3570	3525	3525	3565
Fortis AG	6400	6290	6290	6410
Gevaert	2885	2775	2785	2860
GIB	5380	5330	5360	5370
Gen Banque	14825	14700	14800	14875
Kredietbank	14075	13675	13925	14075
Petrofina	12780	12575	12575	12700
Powerfin	5060	5010	5040	5060
Royale Belge	9400	9310	9310	9400
Soc Gen Belg	3290	3250	3250	3300
Solvay	21425	21300	21300	21375
Tractebel	15350	15250	15250	15325
UCB	95950	95000	95000	96000

Copenhagen — Stock Index: 556.48 Previous: 554.45

	High	Low	Close	Prev.
BG Bank	302	298	299	300
Carlsberg B	420	412	412	418
Codan Fors	890	865	880	885
Danisco	394	389	390	390
Den Danske Bk	605	595	603	600
D/S Svendbrg B	320640	312000	312000	320000
D/S 1912 B	222000	216000	219000	222000
FLS Ind B	1022.55	1000	1020	1001
Kob Lufthavne	695	688.30	695	690
Nvo Nordisk B	669	663	666	662.82
Sophus Ber B	833	824	830	822.88
Tele Danmk B	334	328	328	332
Tryg Baltica	345	345	345	350
Unidanmark A	338	331	336	336

Frankfurt — DAX: 3551.98 Previous: 3568.29

	High	Low	Close	Prev.
AMB B	1290	1260	1290	1280
Adidas	181.50	178	178	182.40
Allianz Hdg	356	353	355	352.20
Altana	1405	1393	1396	1413
Bk Berlin	37.10	37	37.10	37.25
BASF	68.70	68.25	68.40	68.80
Bayer Hypo Bk	55.50	54.30	55.50	54.50
Bay.Vereinsbank	74.90	73.80	74.80	73
Bayer	68.08	66.80	66.87	69.15
Beiersdorf	87.80	87	87.50	85.85
Bewag	44.38	44.10	44.20	44.10
BMW	1503	1485	1491	1515
CKAG Colonia	166	162	166	163.50
Commerzbank	47.65	47.10	47.40	47.90
Daimler Benz	134.70	133.60	134	134.90
Degussa	79.30	77.50	78	79.10
Deutsche Bank	92.55	92.10	92.50	92.75
Deut Telekom	39.35	38.25	38.70	39.30
Dresdner Bank	58.48	57.55	58.20	58.15
Fresenius	367	363	367	361
Fresenius Med	156.30	155	155.50	156
Fried. Krupp	343	330	332	335.50
Gehe	113.50	112.60	113.50	112.50
Heidelbg Zmt	153	148	153	148.50
Henkel pfd	96.30	95.70	95.95	97.30
HEW	497	492	497	492
Hochtief	68.50	67	67	68.50
Hoechst	67.50	66.83	66.93	68.08
Karstadt	532	528	531	535
Lahmeyer	75	74.10	74.10	74.40
Linde	1276	1261	1276	1282
Lufthansa	27.85	26.70	26.85	26
MAN	520	513	519.50	508
Mannesmann	679.50	671	676.50	690
Metallgesellschaft	35.20	34.70	35.05	35.20
Metro	168.80	164	165	169
Muench Rueck R	4440	4330	4440	4345
Preussag	440.50	439	440	442.50
RWE	74.25	73.30	73.60	74.50
SAP pfd	315	312	314	317
Schering	171.80	169.20	169.90	172.50
SGL Carbon	243	239	240	241
Siemens	98.80	97.92	98.25	98
Springer (Axel)	1490	1490	1490	1490
Suedzucker	850	846	846	845
Thyssen	379.50	374	375.50	379
Veba	94.75	93.70	94.63	93.55
VEW	502	502	502	508
Viag	790	786	789	798
Volkswagen	1190	1171	1178	1206

Helsinki — HEX General Index: 3002.04 Previous: 3031.04

	High	Low	Close	Prev.
Enso A	45	45	45	45.50
Huhtamaki I	225	222	222	225
Kemira	51.10	50	50	50.70
Kesko	74.90	73.50	74.70	74.50
Merita A	18.50	17.40	17.70	18
Metra B	145	143.70	143.70	145
Metso-Serla B	39.60	39	39	40
Neste	138	136	138	137.50
Nokia A	332.60	328	328	333.50
Orion-Yhtymae	202	200	201.50	202
Outokumpu A	100	98.50	98.50	99.50
UPM-Kymmene	122.20	120.50	122	122.50
Valmet	88.10	87.80	88	88

Hong Kong — Hang Seng: 13485.91 Previous: 13579.34

	High	Low	Close	Prev.
Amoy Props	8.45	8.25	8.35	8.30
Bk East Asia	27.95	27.65	27.70	28.05
Cathay Pacific	11.95	11.80	11.80	11.90
Cheung Kong	73.75	72	73.50	73.25
CK Infrastruct	22.35	21.95	22.10	22.35
China Light	35.80	34.90	35.30	34.90
Citic Pacific	43.20	42.30	42.80	42.80
Dao Heng Bk	38.80	37.50	37.50	38.40
First Pacific	9.70	9.40	9.60	9.65
Hang Lung Dev	15.15	15	15	15.15
Hang Seng Bk	92.50	91.50	92	92
Henderson Inv	8.85	8.75	8.85	8.80
Henderson Ld	70.75	69.50	70.50	70.25
HK China Gas	12.50	12.35	12.40	12.50
HK Electric	27.20	26.90	27.15	26.90
HK Telecomm	14.50	14.15	14.20	14.10
Hopewell Hdgs	4.05	3.93	3.93	4
HSBC Hdgs	207	205	207	205
Hutchison Wh	61.50	60.50	61	61.25
Hysan Dev	23.80	23.50	23.55	23.65
Johnson El Hdg	21.50	21.20	21.30	21.25
Kerry Props	18.60	18.50	18.60	18.50
New World Dev	48.30	47.70	47.80	48.40
Oriental Press	2.88	2.88	2.85	2.78
Pearl Oriental	3.08	2.90	3.03	2.93
SHK Props	91.25	89.50	90.75	90.75
Shun Tak Hdgs	5	4.88	4.88	5
Sino Land Co.	8.25	8.05	8.20	8.20
Sth China Post	6.90	6.70	6.85	6.70
Swire Pac A	62.75	61.75	62.25	62.25
Wharf Hdgs	30.80	30.10	30.50	30.60
Wheelock	18	17.35	17.40	17.80

Jakarta — Composite Index: 666.84 Previous: 659.68

	High	Low	Close	Prev.
Astra Intl	6200	6150	6200	6125
Bk Intl Indon	1825	1800	1800	1800
Bk Negara	1550	1500	1550	1500
Gudang Garm	10325	9750	10325	9750
Indocement	3100	3100	3100	3100
Indofood	5125	5100	5125	5200
Indosat	7100	6975	7000	7100
Sampoerna HM	9850	9700	9825	9725
Semen Gresik	5975	5875	5875	5975
Telekomunikasi	3700	3625	3700	3600

Johannesburg — All Market: 7160.69 Previous: 7221.86

	High	Low	Close	Prev.
Amalgamtd Bks	30.60	30.10	30.40	30.40
AngloAm Coal	310	310	310	309
AngloAm Corp	288.75	280	280	290
AngloAm Gold	299.50	298.50	299.50	300
AngloAm Ind	206	202.50	202.50	207
AVMIN	16.65	16.50	16.50	16.65
Barlow	49	48.50	49	48.95
C.G. Smith	26.10	25.90	26	26.10
De Beers	168	159.25	160	160.50
Driefontein	38.50	37.70	37.75	38.80
Fst Natl Bk	31.90	31.60	31.60	31.90
Gencor	18.55	18.45	18.50	18.60
GFSA	108	108	108	109
Imperial Hdgs	59	58.75	59	59.25
Ingwe Coal	29	28.50	28.50	28.50
Iscor	3.21	3.17	3.20	3.17
Johnnies Indl	60.50	60	60.50	60.50
Liberty Hdgs	340	337	337	340
Liberty Life	126.50	125	125	126.75
LibLife Strat	16.85	16.25	16.55	16.90
Minorco	101.25	99.75	100	101.50
Nampak	19.40	19	19.05	19.50
Nedcor	92	91	92	92.50
Rembrandt Gp	47.30	46.10	46.10	47.30
Richemont	65.25	64.25	64.50	65
Rust Platinum	72.50	72.50	72.50	73.25
SA Brewerles	132.75	132	132.75	133
Samancor	46.50	46.50	46.50	46.50
Sasol	57.25	56	56	57.50
SBIC	210	209	209.50	212
Tiger Oats	76.75	76.75	76.75	77

Kuala Lumpur — Composite: 1107.34 Previous: 1098.88

	High	Low	Close	Prev.
AMMB Hdgs	16.80	15.80	16.40	15.90
Genting	14.10	13.90	13.80	13.80
Mal Banking	27.50	25.50	26.75	25.75
Mal Intl Ship F	5.70	5.65	5.70	5.70
Petronas Gas	8.60	8.50	8.55	8.55
Proton	15.20	14.60	14.90	14.70
Public Bk	4.58	4.48	4.58	4.48
Renong	3.52	3.44	3.46	3.44
Resorts World	9.15	8.95	8.95	9.10
Rothmans PM	23.80	23.30	23.60	23.20
Sime Darby	8.25	7.70	8.10	7.70
Telekom Mal	18.20	17.70	17.80	18
Tenaga	11.60	11.20	11.50	11.30
Utd Engineers	18.40	17.70	18.20	17.70
YTL	10.30	10	10.20	10.10

London — FT-SE 100: 4537.58 Previous: 4520.10

	High	Low	Close	Prev.
Abbey Natl	8.70	8.40	8.47	8.50
Allied Domecq	4.38	4.26	4.37	4.28
Anglian Water	6.65	6.48	6.53	6.65
Argos	6.48	6.40	6.47	6.41
Asda Group	1.18	1.16	1.17	1.17
Assoc Br Foods	5.47	5.37	5.44	5.39
BAA	5.43	5.22	5.33	5.25
Barclays	12.17	11.86	12.08	11.92
Bass	8.37	8.04	8.28	8.27
BAT Ind	5.73	5.28	5.28	5.49
Bank Scotland	4.04	3.88	3.97	3.91
Blue Circle	4.33	4.24	4.27	4.28
BOC Group	9.72	9.48	9.68	9.51
Boots	7.22	7.17	7.22	7.19
BPB Ind	3.34	3.25	3.25	3.34
Brit Aerosp	12.88	12.55	12.79	12.92
Brit Airways	7.03	6.93	6.97	6.90
BG	1.83	1.71	1.74	1.71
Brit Land	6.07	5.88	5.97	5.80
Brit Petm	7.45	7.27	7.28	7.33
BSkyB	6.17	5.97	6.09	5.96
Brit Steel	1.50	1.47	1.47	1.48
Brit Telecom	4.63	4.52	4.58	4.68
BTR	2.79	2.63	2.66	2.69
Burmah Castrol	10.43	10.25	10.25	10.40
Burton Gp	1.55	1.53	1.53	1.54
Cable Wireless	5.22	4.80	4.95	4.82
Cadbury Schw	5.25	5.16	5.21	5.17
Carlton Comm	5.32	5.15	5.29	5.20
Comml Union	7.20	7.08	7.13	7.17
Compass Gp	6.77	6.70	6.72	6.77
Courtaulds	3.34	3.23	3.23	3.27
Dixons	5.26	5.19	5.25	5.26
Electrocomponents	4.01	3.98	4.01	3.99
EMI Group	12.70	12.35	12.49	12.65
Energy Group	5.06	4.93	5.04	4.94
Enterprise Oil	6.22	6.12	6.15	6.20
Fam Colonial	1.61	1.58	1.59	1.60
Genl Accident	9.37	9.13	9.32	9.19
GEC	3.72	3.62	3.70	3.65
GKN	9.72	9.60	9.65	9.64
Glaxo Wellcome	12.15	11.90	11.90	12.03
Granada Gp	9.14	8.88	9.07	8.90
Grand Met	5.22	5.10	5.15	5.17
GRE	2.98	2.80	2.93	2.94
Greenalls Gp	5.09	5.05	5.05	5.06
Guinness	5.22	5.12	5.15	5.16
GUS	6.79	6.64	6.69	6.76
Hays	5.76	5.70	5.70	5.67
HSBC Hldgs	16.47	16.33	16.37	16.37
ICI	7.60	7.20	7.56	7.15
Impl Tobacco	4.08	4.05	4.07	4.07
Kingfisher	7.10	7	7.05	7.03
Ladbroke	2.40	2.35	2.38	2.36
Land Sec	8.37	8.11	8.37	8.20
Lasmo	2.30	2.25	2.27	2.27
Legal Genl Grp	4.59	4.37	4.52	4.40
Lloyds TSB Gp	5.80	5.26	5.75	5.68
LucasVarity	1.92	1.89	1.91	1.90
Marks Spencer	5.07	5.02	5.04	5.03
MEPC	4.77	4.62	4.75	4.64
Mercury Asset	13.96	13.67	13.71	13.72
National Grid	2.27	2.17	2.23	2.19
Natl Power	5.32	5.21	5.23	5.22
NatWest	7.85	7.51	7.66	7.51
Next	6.92	6.70	6.83	6.72
Orange	2.19	2.16	2.18	2.17
P&O	6.17	6.10	6.12	6.12
Pearson	7.10	7.01	7.05	7.03
Pilkington	1.16	1.11	1.14	1.09
PowerGen	6.48	6.34	6.42	6.33
Premier Farnell	4.72	4.65	4.69	4.70
Prudential	6.38	6.20	6.33	6.22
Railtrack PP	4.38	4.23	4.25	4.23
Rank Group	4.49	4.39	4.45	4.38
Reckitt Colm	9.03	8.69	8.85	8.71
Redland	3.58	3.43	3.46	3.58
Reed Intl	N.T.	N.T.	N.T.	11.52
Rentokil Initial	4.11	4.07	4.09	4.07
Reuters Hdgs	6.87	6.75	6.79	6.80
Rexam	3.10	2.84	2.86	2.89
RMC Group	9.48	9.39	9.45	9.71
Rolls Royce	2.52	2.45	2.50	2.49
Royal Bk Scot	5.94	5.70	5.75	5.86
RTZ reg	9.95	9.85	9.91	9.86
Royal & Sun All	5.17	5	5.11	5.02
Safeway	3.35	3.26	3.34	3.34
Sainsbury	3.60	3.48	3.52	3.46
Schroders	16.65	16	16.50	16.15
Scot Newcastle	7	6.88	6.88	6.92
Scot Power	3.76	3.68	3.70	3.70
Securicor	2.96	2.92	2.92	2.95
Severn Trent	7.48	7.37	7.41	7.40
Shell Transp R	11.31	10.94	11.05	10.95
Siebe	9.62	9.52	9.57	9.55
Smith Nephew	1.80	1.73	1.76	1.75
SmithKline	10.10	10.01	10.02	10.07
Smiths Ind	8.79	7.81	7.85	7.82
Sthern Elec	4.37	4.23	4.31	4.20
Stagecoach	6.03	5.92	6.03	5.96
Stand Charter	9.62	9.43	9.53	9.47
Tate & Lyle	4.53	4.39	4.39	4.54
Tesco	3.78	3.65	3.76	3.67
Thames Water	6.75	6.62	6.62	6.80
3i Group	5.24	5.16	5.20	5.17
TI Group	5.45	5.38	5.43	5.43
Tomkins	2.79	2.71	2.75	2.75
Unilever	16.65	16.40	16.53	16.51
Utd Assurance	5.07	4.87	4.88	5.08
Utd News	7.47	7.40	7.45	7.48
Utd Utilities	6.75	6.65	6.65	6.67
Vendome Lx uts	5.23	5.17	5.23	5.23
Vodafone	2.81	2.76	2.77	2.79
Whitbread	8.07	7.88	7.98	7.88
Williams Hdgs	3.18	3.12	3.15	3.16
Wolseley	4.99	4.90	4.93	4.96
WPP Group	2.55	2.51	2.53	2.51
Zeneca	19.18	19	19.15	19.06

Madrid — Bolsa Index: 524.12 Previous: 524.21

	High	Low	Close	Prev.
Acerinox	21880	21660	21810	21660
ACESA	1715	1670	1700	1685
Aguas Barcelon	5700	5610	5660	5700
Argentaria	7140	6730	7120	6740
BBV	10060	9930	9990	10050
Banesto	1480	1435	1450	1475
Bankinter	22620	22070	22550	22050
Bco Central Hisp	4495	4425	4495	4445
Bco Popular	32390	31930	32000	32400
Bco Santander	11260	11170	11200	11230
CEPSA	4768	4650	4650	4750
Continente	2490	2455	2470	2455
Corp Mapfre	7850	7770	7780	7800
Endesa	10620	10540	10560	10560
FECSA	1230	1200	1205	1225
Gas Natural	31100	30620	30770	31290
Iberdrola	1705	1685	1695	1690
Pryca	2625	2600	2615	2625
Repsol	6110	6020	6040	6100
Sevillana Elec	1300	1280	1280	1290
Tabacalera	7530	7390	7440	7490
Telefonica	3855	3805	3845	3815
Union Fenosa	1260	1240	1255	1250
Valenc Cement	1880	1820	1880	1820

Manila — PSE Index: 2694.40 Previous: 2776.53

	High	Low	Close	Prev.
Ayala B	18.25	17	17.25	18.50
Ayala Land	19.50	19	19	19.50
Bk Philip Isl	157	152	152	157
C&P Homes	10.50	10	10	10.25
Manila Elec A	91	86.50	87	91
Metro Bank	605	580	590	600
Petron	9.20	8.20	8.30	8.90
PCIBank	315	305	310	307.50
Phil Long Dist	795	740	745	780
San Miguel B	71	68	68	71
SM Prime Hdg	7.30	7	7	7.30

Mexico — Bolsa Index: 3778.41 Previous: 3798.23

	High	Low	Close	Prev.
Alfa A	45.90	45.60	45.90	45.60
Banacci B	17.00	16.82	16.82	16.84
Cemex CPO	26.85	26.45	26.50	26.85
Cifra C	12.18	12.06	12.18	12.18
Emp Modema	41.30	41.20	41.20	41.30
Gpo Carso A1	45.20	43.80	44.20	45.00
Gpo F Bcomer	1.86	1.83	1.84	1.83
Gpo Fin Inburso	27.50	27.00	27.00	27.50
Kimb Clark Mex	29.75	28.95	29.75	28.95
Televisa CPO	95.50	95.10	95.40	95.80
TelMex L	16.52	16.36	16.40	16.58

Milan — MIB Telematico: 12226.00 Previous: 12424.00

	High	Low	Close	Prev.
Alleanza Assic	12120	11770	11800	12050
Bca Comm Ital	3775	3710	3725	3730
Bca Fideuram	4430	4360	4400	4400
Bca di Roma	1285	1261	1271	1278
Benetton	23900	23300	23900	23550
Credito Italiano	2440	2415	2415	2440
Edison	8600	8125	8250	8730
ENI	8720	8635	8640	8745
Fiat	5820	5705	5735	5810
Generali Assic	29700	29050	29200	29550
IMI	15170	14950	15000	15105
INA	2370	2345	2350	2360
Italgas	5915	5820	5830	5855
Mediaset	7470	7380	7430	7470
Mediobanca	10455	10200	10280	10385
Montedison	1099	1066	1072	1093
Olivetti	506	496	498	500
Parmalat	2550	2485	2525	2550
Pirelli	3840	3800	3815	3810
RAS	14240	13940	13955	14045
Rolo Banca	17450	17300	17425	17390
S Paolo Torino	11275	10850	10940	11215
Stet	8340	8220	8250	8280
Telecom Italia	4670	4585	4620	4625
TIM	5450	5385	5415	5405

Montreal — Industrials Index: 3064.01 Previous: 3071.47

	High	Low	Close	Prev.
Bce Mob Com	43½	43.30	43.30	43½
Cdn Tire A	25.45	25.45	25.45	25.65
Cdn Util A	34½	34.20	34.40	34.60
CT Finl Svc	33.70	33½	33.70	33½
Gaz Metro	17.45	17.35	17.45	17.40
Gt-West Lifeco	24⅛	24	24⅛	24⅛
Imasco	37.90	37.60	37.90	38
Investors Grp	26.40	26	26.10	26.35
Loblaw Cos	17.80	17½	17.60	17.45
Natl Bk Canada	15.95	15.70	15⅞	16.05
Power Corp	30⅛	29⅞	29.90	30.15
Power Finl	27	26½	26½	26.70
Quebecor B	26.20	25.95	25.95	26.20
Rogers Comm B	7.85	7.75	7.80	7.95
Royal Bk Cda	58.55	58.05	58.40	58.30

Oslo — OBX Index: 608.57 Previous: 607.03

	High	Low	Close	Prev.
Aker A	170	166	168	168
Bergesen Dy A	156	154.50	155.50	156
Christiania Bk	23	22.80	22.80	22.90
Den norske Bk	26.60	26.30	26.60	26.30
Elkem	142	139	139	141
Hafslund A	44.50	44	44	44
Kvaerner Asa	360	357.50	360	360
Norsk Hydro	345	343	345	344.50
Norske Skog A	240	234	240	239.50
Nycomed A	107	105	105	108
Orkla Asa A	614	612	612	612.50
Petm GeoSvc	277	274.50	277	275
Saga Petm A	125	124	124.50	124.50
Schibsted	125	124	124	125
Transocean Off	440	440	440	417.50
Storebrand Asa	45	44.50	45	45

Paris — CAC-40: 2643.31 Previous: 2651.93

	High	Low	Close	Prev.
Accor	877	870	870	873
AGF	192.40	187.10	190	191.60
Air Liquide	884	863	869	877
Alcatel Alsth	659	642	647	653
Axa-UAP	365.60	360.40	363	360.80
Bancaire	756	724	727	753
BIC	916	890	892	908
BNP	248.60	238.30	242	247
Canal Plus	1074	1054	1056	1067
Carrefour	3747	3705	3722	3688
Casino	272.30	265	272	275.50
CCF	259	251.60	254.80	257.10
Cetelem	672	656	663	663
Christian Dior	869	856	863	867
CLF-Dexia Fran	550	540	544	549
Credit Agricole	1268	1265	1268	1265
Danone	877	867	867	871
Elf-Aquitaine	573	567	570	567
Eridania BS	875	865	872	867
Euro Disney	9.65	9.45	9.45	9.65
Eurotunnel	6.75	6.50	6.65	6.65
Gen. Eaux	798	786	789	788
Havas	445.90	438.50	442	440
Imetal	835	819	825	834
Lafarge	389	380	381	383.80
Legrand	995	957	975	990
L'Oreal	2135	2084	2091	2117
LVMH	1415	1391	1395	1402
Lyon. Eaux	557	546	555	549
Michelin B	329.50	326.20	327.90	326.50
Paribas A	374.70	367	369.40	371.30
Pernod Ricard	310	301.20	303.40	306.50
Peugeot Cit	620	598	605	614
Pinault-Print	2479	2431	2455	2470
Promodes	1993	1961	1963	1973
Renault	143.50	137.80	138.70	141
Rexel	1588	1551	1560	1584
Rh-Poulenc A	193.70	191.50	193.20	193.20
Sanofi	562	538	548	558
Schneider	329.30	323	328	329.90
SEB	1045	1025	1045	1039
SGS Thomson	468	443.20	460.10	470
Ste Generale	650	635	641	648
Sodexho	2754	2711	2730	2696
St Gobain	807	785	789	782
Suez	294.50	288.20	293	290
Synthelabo	715	700	707	719
Thomson CSF	185.50	181.20	184.60	182.40
Total B	489.50	482.30	484.40	484.30
Usinor	90.40	89.15	90.40	89.40
Valeo	376.70	365.20	374.60	367

São Paulo — Bovespa Index: 10156.29 Previous: 10218.66

	High	Low	Close	Prev.
Bradesco Pfd	8.95	8.85	8.850	8.90
Brahma Pfd	728.00	727.01	727.90	729.00
Cemig Pfd	46.60	46.20	46.30	46.50
CESP Pfd	56.40	56.00	56.20	56.60
Copel	16.00	16.00	16.00	16.60
Eletrobras	484.00	479.00	480.00	484.00
Itaubanco Pfd	588.00	579.90	579.90	588.00
Light Servicios	470.00	464.00	470.00	469.00
Lightpar	336.01	335.00	335.00	337.00
Petrobras Pfd	227.00	225.00	226.00	227.50
Paulista Luz	169.99	168.00	168.00	170.50
Sid Nacional	40.00	37.60	37.80	37.90
Souza Cruz	9.50	9.30	9.40	9.34
Telebras Pfd	127.00	125.40	126.45	126.10
Telemig	168.00	162.00	163.00	168.81
Telerj	172.00	166.99	167.00	174.00
Telesp Pfd	320.00	308.00	311.00	316.99
Unibanco	39.50	39.20	39.40	39.79
Usiminas Pfd	1.26	1.21	1.22	1.27
CVRD Pfd	27.80	25.70	26.00	27.60

Seoul — Composite Index: 689.18 Previous: 701.57

	High	Low	Close	Prev.
Dacom	98000	95000	96300	98000
Daewoo Heavy	5240	5030	5100	5240
Hyundai Eng.	18000	17500	17500	17800
Kia Motors	16400	16200	16400	16400
Korea El Pwr	26800	26100	26100	27000
Korea Exch Bk	5500	5350	5360	5350
Korea Mob Tel	420000	412000	412000	412000
LG Semicon	28000	27400	27900	27600
Pohang Iron St	52600	50900	51000	52800
Samsung Display	41500	40000	41000	41300
Samsung Elec	61200	60600	61000	61400
Shinhan Bank	10700	10200	10400	10300

Singapore — Straits Times: 2048.13 Previous: 2056.68

	High	Low	Close	Prev.
Asia Pac Brew	6.75	6.60	6.60	6.85
Cerebos Pac	9	8.95	9	9
City Devlts	13	12.60	12.70	12.50
Cycle Carriage	15.10	14.90	15	15
Dairy Farm Intl*	0.74	0.74	0.74	0.75
DBS foreign	18.40	18.10	18.30	18.10
DBS Land	5.10	4.92	5.05	4.94
Fraser & Neave	11.60	11.40	11.40	11.30
HK Land*	2.43	2.36	2.36	2.37
Jard Matheson*	5.75	5.60	5.75	5.60
Jard Strategic*	3.54	3.52	3.52	3.56
Keppel	6.70	6.55	6.65	6.60
Keppel Bank	3.82	3.80	3.80	3.82
Keppel Fels	4.60	4.56	4.60	4.60
Keppel Land	4.24	4.12	4.22	4.22
OCBC foreign	18.30	17.80	18.20	17.90
OS Union Bk F	10.40	10.10	10.20	10.10
Parkway Hdgs	5.95	5.85	5.90	5.85
Sembawang	6.75	6.70	6.70	6.70
Sing Air foreign	12.90	12.70	12.90	12.80
Sing Land	7.35	7.15	7.20	7.35
Sing Press F	28.20	27.60	28.10	27.50
Sing Tech Ind	3.86	3.78	3.84	3.76
Sing Telecomm	2.57	2.43	2.52	2.44
Tat Lee Bank	3.36	3.34	3.34	3.34
Utd Industrial	1.15	1.10	1.15	1.12
Utd O'sea Bk F	15.20	14.60	15.20	14.70
Wing Tai Hdgs	4.20	4.10	4.18	4.16

*: in U.S. dollars.

Stockholm — SX 16 Index: 2969.46 Previous: 2961.18

	High	Low	Close	Prev.
AGA B	106	104	104	105
ABB A	99.50	98.50	99	99.50
AssiDoman	215	206	213	208
Astra A	318.50	315	315.50	319.50
Atlas Copco A	206.50	205	206	206.50
Autoliv	298	288	288.50	279
Electrolux B	472	465	471	465
Ericsson B	262.50	257.50	262.50	258.50
Hennes B	1197	1172	1180	1185
Incentive A	570	528	562	525
Investor B	364	355	362	356
MoDo B	253	247	248.50	253
Nordbanken	242	240	240	242
Pharm/Upjohn	246.50	242.50	246	243
Sandvik B	206	203	204	210
Scania B	213	208	212.50	213.50
SCA B	180	176	178.50	178
S-E Banken A	84.50	82	84	82
Skandia Fors	242	238	241	240
Skanska B	339	333	335	340
SKF B	181	178.50	180	179
Sparbanken A	149	146	148.50	146.50
Stadshypotek A	190	190	190	190
Stora A	116.50	115	116	116.50
Sv Handles A	223.50	218	221	224
Volvo B	215	213	215	214

Sydney — All Ordinaries: 2517.60 Previous: 2512.80

	High	Low	Close	Prev.
Amcor	8.51	8.41	8.50	8.42
ANZ Bking	8.40	8.27	8.37	8.30
BHP	18.15	17.93	18.08	18.02
Boral	3.85	3.75	3.84	3.79
Brambles Ind.	23.36	23.15	23.20	23.35
CBA	14.20	14.07	14.20	14.11
CC Amatil	14.80	14.57	14.64	14.65
Coles Myer	6.46	6.41	6.44	6.39
Comalco	6.48	6.30	6.40	6.30
CRA	19.39	19.19	19.35	19.21
CSR	4.66	4.56	4.64	4.59
Fosters Brew	2.62	2.57	2.62	2.62
Goodman Fld	1.68	1.65	1.67	1.68
ICI Australia	12.60	12.44	12.44	12.59
Lend Lease	24.50	23.98	24	24.55
MIM Hdgs	1.72	1.70	1.71	1.71
Nat Aust Bank	18.16	17.91	18.14	18.02
Nat Mutual Hdg	1.93	1.91	1.91	1.95
News Corp	6.10	5.93	6.06	5.98
Pacific Dunlop	3.53	3.49	3.50	3.50
Pioneer Intl	4.39	4.28	4.34	4.30
Pub Broadcast	6.35	6.27	6.26	6.28
St George Bank	8.18	8.07	8.16	8.09
WMC	7.78	7.65	7.73	7.70
Westpac Bking	7.28	7.19	7.25	7.22
Woodside Pet	10.90	10.54	10.82	10.59

Taipei — Stock Market Index: 8427.87 Previous: 8394.27

	High	Low	Close	Prev.
Cathay Life Ins	162	161	161	161
Chang Hwa Bk	121	118	120	118
Chiao Tung Bk	70	69	69.50	69
China Develpmt	118	114	117	114
China Steel	30.90	30	30.90	29.90
First Bank	120	118	119	117.50
Formosa Plastic	68.50	67	68	67
Hua Nan Bk	118	116	117.50	116
Intl Comm Bk	69	68	68.50	68.50
Nan Ya Plastics	72.50	71	72.50	70.50
Shin Kong Life	98	97	97.50	97
Taiwan Semi	104	98.50	103.50	97.50
Tatung	57	56	57	56.50
Utd Micro Elec	70.50	66.50	70	66
Utd World Chin	71	70	70.50	69.50

Tokyo — Nikkei 225: 20048.90 Previous: 20180.92

	High	Low	Close	Prev.
Ajinomoto	1170	1120	1130	1170
All Nippon Air	782	761	777	765
Amway	3830	3800	3820	3850
Asahi Bank	790	780	787	777
Asahi Chem	730	713	714	734
Asahi Glass	1190	1170	1180	1190
Bk Tokyo Mitsu	2110	2080	2110	2100
Bk Yokohama	540	527	527	530
Bridgestone	2920	2850	2860	2940
Canon	3300	3250	3260	3270
Chubu Elec	2070	2060	2070	2070
Chugoku Elec	2050	2030	2030	2040
Dai Nipp Print	2410	2390	2400	2430
Daiei	660	635	652	625
Dai-Ichi Kang	1480	1450	1470	1460
Daiwa Bank	430	419	427	434
Daiwa House	1390	1350	1360	1380
Daiwa Sec	904	878	900	880
DDI	8730a	8450a	8450a	8740a
Denso	3220	3120	3130	3270
East Japan Ry	5450a	5360a	5370a	5420a
Eisai	2390	2350	2370	2350
Fanuc	4250	4120	4160	4310
Fuji Bank	1510	1480	1500	1510
Fuji Photo	5160	5090	5110	5150
Fujitsu	1410	1390	1400	1400
Hachijuni Bk	1150	1130	1130	1140
Hitachi	1300	1260	1280	1300
Honda Motor	4140	4060	4100	4080
IBJ	1380	1340	1350	1370
IHI	488	476	483	475
Itochu	615	593	598	615
Ito-Yokado	6480	6400	6440	6500
JAL	526	520	526	519
Japan Tobacco	8280a	8210a	8280a	8310a
Jusco	3980	3930	3960	3980
Kajima	644	628	635	647
Kansai Elec	2230	2200	2220	2230
Kao	1500	1480	1490	1490
Kawasaki Hvy	541	526	535	530
Kawa Steel	391	386	389	387
Kinki Nipp Ry	711	706	708	711
Kirin Brewery	1190	1150	1160	1190
Kobe Steel	242	238	239	238
Komatsu	985	941	965	970
Kubota	605	580	592	605
Kyocera	7760	7700	7710	7800
Kyushu Elec	2060	2020	2050	2040
LTCB	371	364	364	372
Marubeni	510	500	503	506
Marui	2190	2120	2140	2190
Matsu Comm	3450	3400	3400	3390
Matsu Elec Ind	2310	2250	2300	2270
Matsu Elec Wk	1370	1330	1340	1340
Mitsubishi	1380	1270	1330	1290
Mitsubishi Ch	428	416	420	428
Mitsubishi El	740	720	721	750
Mitsubishi Est	1600	1560	1560	1600
Mitsubishi Hvy	871	851	858	847
Mitsubishi Mat	946	919	936	910
Mitsubishi Tr	1550	1490	1530	1520
Mitsui	998	979	990	983
Mitsui Fudosn	1460	1400	1410	1470
Mitsui Trust	830	812	813	830
Murata Mfg	5080	4980	5010	5090
NEC	1650	1620	1640	1640
Nikon	1910	1880	1900	1900
Nikko Sec	750	728	750	729
Nintendo	9600	9350	9360	9580
Nipp Express	885	872	882	883
Nippon Oil	623	614	615	616
Nippon Steel	392	384	387	387
Nissan Motor	807	800	805	807
NKK	287	278	281	286
Nomura Sec	1610	1530	1590	1540
NTT	10000b	9900a	9900a	9970a
NTT Data	4230b	3980b	4140b	3990b
Oji Paper	675	647	658	670
Osaka Gas	300	292	300	296
Ricoh	1570	1550	1560	1560
Rohm	10200	10100	10200	10000
Sakura Bk	707	692	697	700
Sankyo	3460	3420	3440	3450
Sanwa Bank	1440	1420	1440	1450
Sanyo Elec	525	518	525	518
Secom	7740	7580	7730	7600
Seibu Rwy	6170	6110	6130	6310
Sekisui Chem	1260	1220	1240	1260
Sekisui House	1200	1170	1190	1190
Seven-Eleven	8170	7990	7990	8150
Sharp	1720	1680	1720	1680
Shikoku El Pwr	1990	1970	1990	1980
Shimizu	654	631	637	649
Shin-etsu Ch	2770	2730	2750	2770
Shiseido	1790	1710	1730	1810
Shizuoka Bk	1160	1130	1160	1170
Softbank	7720	7550	7650	7510
Sony	9670	9490	9630	9500
Sumitomo	928	912	921	926
Sumitomo Bk	1540	1510	1530	1530
Sumit Chem	532	520	528	532
Sumitomo Elec	1800	1770	1800	1790
Sumit Metal	336	321	326	335
Sumit Trust	1250	1220	1230	1220
Taisho Pharm	3100	3080	3100	3100
Takeda Chem	3000	2980	3000	3020
TDK	9370	9280	9350	9400
Tohoku El Pwr	2010	1960	2000	1980
Tokai Bank	953	933	950	953
Tokio Marine	1370	1340	1370	1370
Tokyo El Pwr	2280	2250	2270	2280
Tokyo Electron	5180	5030	5070	5040
Tokyo Gas	300	297	299	295
Tokyu Corp.	669	656	658	670
Tonen	1270	1250	1270	1260
Toppan Print	1750	1710	1710	1770
Toray Ind	799	779	779	799
Toshiba	768	753	755	770
Tostem	3000	2990	3000	3000
Toyo Trust	918	903	903	919
Toyota Motor	4000	3940	3940	4030
Yamanouchi	2870	2830	2870	2850

a: x 100; b: x 1,000

Toronto — TSE Industrials: 6132.50 Previous: 6129.96

	High	Low	Close	Prev.
Abitibi Price	23.70	23½	23.65	23.80
Alberta Energy	29.95	29.65	29.80	29¾
Alcan Alum	48⅛	47.65	48.10	48.35
Anderson Expl	18.10	17¾	17⅞	17.70
Bk Montreal	51.80	51.55	51.70	51.90
Bk Nova Scotia	54½	54⅛	54.40	54½
Barrick Gold	33.35	32¾	33¼	32.45
BCE	69.20	68⅞	68⅞	69.20
BC Telecomm	29.60	29.30	29.30	29.35
Biochem Pharm	31.40	30.20	30.40	31
Bombardier B	28	27.70	27.90	27.90
Brascan A	34.20	34	34.15	34
Bre-x Minerals	0.10	0.09	0.10	0.09
Cameco	52½	51.55	51.65	52.40
CIBC	32.60	32.15	32¼	32.60
Cdn Natl Rail	56⅛	56.05	56.05	56⅛
Cdn Nat Res	35	34⅜	35	35
Cdn Occid Pet	27.60	27.10	27.45	27.60
Cdn Pacific	36.70	35.80	36.20	35.95
Cominco	36⅛	36	36	36
Dofasco	24.15	23.85	24	24
Domtar	11⅛	11.65	11.65	11⅛
Donohue A	29.55	29	29	29.40
Du Pont Cda A	35	34.80	34.90	34.90
Edper Group	23.35	23⅛	23⅛	23⅛
Euro-Nev Mng	40.40	39⅛	40	39⅛
Fairfax Finl	310	303	310	304
Falconbridge	29.95	29½	29.70	29.85
Fletcher Chall A	23⅛	23.30	23.40	23⅛
Franco Nevada	66⅛	65.05	66⅛	65
Gulf Cda Res	11⅛	11.05	11.10	11.15
Imperial Oil	64.15	63.90	64.15	63.90
Inco	45.70	45	45.20	45⅛
IPL Energy	42.90	42.60	42.80	42.85
Laidlaw B	19	18⅛	18.85	19
Loewen Group	42	40	40.20	41⅛
Macmill Bld	19⅛	19.35	19.40	19½
Magna Intl A	76.80	75.90	76.60	76
Methanex	13.45	13.15	13.20	13.40
Moore	29.30	29	29.20	28.90
Newbridge Net	48.65	46.60	48.40	47.35
Noranda Inc	30⅛	29.80	30⅛	30.85
Norcen Energy	32.90	30.80	32.70	30.60
Nthern Telecom	105.05	104.30	104.70	105⅛
Nova	12	11.90	11.95	11.95
Onex	24.35	24⅛	24.35	24⅛
Pancdn Petm	27.95	27.80	27.80	28
Petro Cda	22.70	22.05	22.15	22.60
Placer Dome	25.30	24½	25.20	24½
Poco Petm	14⅛	14.35	14.40	14.40
Potash Sask	113½	110⅛	111⅛	113
Renaissance	39.20	38.60	39.20	39
Rio Algom	36.10	35⅛	35⅛	36.15
Rogers Cantel B	23.65	23⅛	23⅛	23⅛
Seagram Co	55⅛	54.30	54.85	55⅛
Shell Cda A	57	56.05	57	56.65
Stone Consold	23.70	23.55	23.70	23.70
Suncor Energy	33.70	33.30	33⅛	33.20
Talisman Eny	43	41.70	43	42.35
Teck B	29.05	28.15	29	28.65
Teleglobe	42⅛	40⅛	42	40⅛
Telus	22⅛	21.80	22.20	21.80
Thomson	30⅛	30⅛	30.45	30.65
TorDom Bank	40.20	39⅛	40.15	39.90
Transalta	16.10	15.95	16.10	16.05
TransCda Ppe	26.10	25.65	25.80	25.90
Trimark Finl	45.65	45⅛	45.60	45⅛
Trizec Hahn	30⅛	29.90	29.90	30.45
TVX Gold	8.55	8.35	8⅛	8.35
Westcoast Eny	24.95	24.80	24.85	24.85
Weston	79	77⅛	77⅛	78⅛

Vienna — ATX Index: 1227.21 Previous: 1217.47

	High	Low	Close	Prev.
Boehler-Uddeh	929	902	925	917.40
Creditanst Pfd	454	451	453	453
EA-Generali	3138	3101.15	3120	3125
EVN	1620	1566	1600	1578
Flughafen Wien	516.50	496	497	519.30
OMV	1459	1385	1445.50	1386.40
Oest Elektriz	854.90	851.55	852.05	855
VA Stahl	500	491	498	495
VA Tech	1940	1912	1926.10	1916
Wienerberg Bau	2310	2241	2277	2260

Wellington — NZSE-40 Index: 2328.37 Previous: 2305.34

	High	Low	Close	Prev.
Air NZeald B	4.24	4.23	4.24	4.25
Brierly Invt	1.34	1.33	1.33	1.34
Carter Holt ord	3.26	3.19	3.25	3.23
Fletch Ch Bldg	4.15	4.05	4.15	4.09
Fletch Ch Eny	4.57	4.46	4.57	4.46
Fletch Ch Forst	2.12	2.06	2.10	2.07
Fletch Ch Paper	3.37	3.28	3.36	3.29
Lion Nathan	3.60	3.54	3.56	3.54
Telecom NZ	6.75	6.57	6.75	6.56
Wilson Horton	11.75	11.70	11.75	11.70

Zurich — SPI Index: 3167.28 Previous: 3150.77

	High	Low	Close	Prev.
ABB B	1859	1838	1853	1834
Adecco B	480.50	467	475	482
Alusuisse R	1287	1277	1282	1281
Ares-Serono B	2120	2060	2088	2060
Atel R	850	845	858	850
Baer Hdg B	1910	1865	1905	1865
Baloise Hdg R	3125	3100	3110	3140
BK Vision	970	964	970	971
Ciba Spec Chem	134.50	131.75	133.75	133
Clariant R	847	840	841	841
Crd Suisse Gp R	148.75	146.75	147.25	148
Elektrowatt B	529	527	529	530
Ems-Chemie	6150	6090	6120	6125
ESEC Hdg	4700	4450	4700	4600
Holderbank B	1220	1196	1210	1223
Liechtenst LB B	482	482	482	482
Nestle R	1829	1806	1819	1802
Novartis R	2006	1989	1990	1991
Oerlikon Bueh R	151.50	149.50	149.50	151
Pargesa Hld B	1769	1760	1767	1771
PharmVisn B	761	755	761	755
Richemont A	2150	2115	2125	2145
Pirelli PC	228	226	226	227
Roche Hdg PC	12985	12760	12910	12735
SBC R	330.50	327	330	325
Schindler PC	1870	1800	1835	1830
SGS B	3150	3065	3085	3060
SMH B	859	843	858	841
Sulzer R	1049	1036	1049	1036
Swiss Reins R	1791	1775	1777	1780
Swissair R	1380	1356	1363	1373
UBS B	1404	1385	1404	1390
Winterthur R	1099	1083	1087	1086
Zurich Assur R	490	484	488	486.50

WORLD ROUNDUP

Adidas and Yankees Sue Major Leagues

BASEBALL The New York Yankees and Adidas have sued Major League Baseball in federal court for interfering with the implementation of the 10-year, $95 million sponsorship deal the team signed with the footwear company two months ago.

The antitrust action, filed Tuesday in U.S. District Court in Tampa, Florida, asks for injunctive relief but does not specify any monetary damages.

The Yankees and Adidas allege that baseball threatened to sue Adidas for making the agreement with the World Series champions; sought to stop the sale of merchandise bearing the team's and company's logos at Yankee Stadium, prevented the start of a joint advertising campaign and conspired to prevent other teams from entering sponsorship deals with Adidas. *(NYT)*

Butler, Hurt, May Retire

BASEBALL Brett Butler, the Los Angeles Dodgers outfielder, who missed most of last season because of tonsil cancer, was placed on the 15-day disabled Tuesday. Butler, who turns 40 next month, has torn cartilage in his left shoulder and has indicated that if surgery is required he would probably not return this season. He has already said he will retire after this season. *(AP)*

ValuJet Settlement

FOOTBALL The family of Rodney Culver, the San Diego Chargers running back killed in the 1996 ValuJet crash, will receive $28 million as part of a settlement reached with the airline and its maintenance company. Culver and his wife, Karen, were killed when the jet crashed in the Florida Everglades killing all 110 aboard. *(AP)*

Benn Accused of Fighting

BOXING Former world champion Nigel Benn sliced open a man's nose in an unprovoked and frenzied nightclub attack in September, a London court was told on Wednesday.

Ray Sullivan, a businessman, said that during the alleged assault he fell to the floor with blood spurting from a hole in the side of his nose big enough to poke a finger through.

Sullivan said he repeatedly tried to get to his feet, only for the ex-super middleweight to "kick and stamp" him back down again.

Sullivan, 33, said he was taken to hospital where 105 stitches were used to repair "extensive" damage to his face. Benn denies wounding Sullivan with intent to do him grievous bodily harm. *(AFP)*

Sleepless in Nagano

OLYMPICS Russian Olympic officials on Wednesday said they had refused to stay at Japanese-style hotels during the 1998 Nagano Winter Olympics and may stay on a ship.

"The Japanese hotels won't do," said Viktor Mamatov, an official with the Russian Olympic Committee. "I woke up completely broken after I once spent a night there lying on the floor mattress."

Mamatov said the few Western style hotels in Nagano were reserved for the International Olympic Committee officials.

Jacques Boissinot/The Associated Press

FALL GUYS — Vlastimil Kroupa of the Czech Republic went flying Wednesday as Bob Errey of Canada slid into him at the World Ice Hockey Championships in Helsinki. Vladimir Vujtek scored a hat trick as the Czechs, the reigning champions, won 5-3 in a game that ended in a brawl. Slavomir Lerner, the Czech coach, called Andy Murray, Canada's coach, a cheat. Murray said: "The Czechs are the dirtiest players in the world."

Video Replay Pays Off for Rangers

By Joe Lapointe
New York Times Service

NHL PLAYOFFS

NEW YORK — For the second consecutive game, the increasingly controversial rule about goal-crease interference cost the New Jersey Devils a tying goal in their playoff series against the New York Rangers.

Partly because of this decision — a correct ruling under current league directives — the Rangers held on for a 3-2 victory that gave them a lead of two games to one in the Eastern Conference finals.

The Rangers got two goals from Esa Tikkanen and one from Wayne Gretzky. But the scoring play that prompted much of the discussion was one that wasn't. It came with seven minutes, 42 seconds left in the third period.

It appeared that Doug Gilmour had tied the game on the power play. The goal was overruled when a videotape review showed the foot of New Jersey's Bill Guerin in the goal crease as Gilmour shot the puck.

Guerin didn't interfere with goalie Mike Richter. But his skate was in the semicircle of blue paint that extends outward from each side of the goal line. The rule is being strictly enforced this season and has become a constant issue for angry debate, particularly in the postseason.

Devils coach Jacques Lemaire said, "I can't blame the player" and "I don't blame the rule, either."

So, who did he blame? Mark Messier, the Ranger captain, who Lemaire said demanded a video review of the goal.

"We got a memo from the league before the playoffs," Lemaire said. The memo, he said, told all teams that players were not allowed to request video review.

"The ref was going to put the puck down for the face-off. After seeing it on the video, everyone was yelling and Messier jumped on the ice."

The Devils lost a tying goal by Steve Thomas on Sunday on a similar play before losing.

New York opened the scoring at 3:57 when Gretzky got his first of the series and his fifth of the postseason. Gretzky recovered the puck to the right-wing side of goalie Martin Brodeur after Luc Robitaille's shot was blocked.

Tikkanen's first goal of the night and fourth of the playoffs gave the Rangers a 2-0 lead at 5:24. He waited on the right-wing side of Brodeur until Messier and Brian Leetch drew the coverage to the left-wing with an exchange of passes. Then Messier sent the puck across the zone and Tikkanen converted.

The Devils got one back at 6:04, when Randy McKay scored on a rebound of Brian Rolston's shot. McKay helped create the chance by battling for position in the slot in front of Richter.

The Rangers went up by 3-1 at 6:41 of the second period on a power-play goal by Tikkanen, who took Gretzky's backhanded pass and beat Brodeur between the pads. The play began with a bad clearance by Brodeur, rare for him.

The Devils cut the lead to 3-2 on a goal by Thomas. While being cross-checked by Doug Lidster, he deflected a long shot by Dave Ellett and the puck just seemed to rise up and float over Richter's goal line.

In the other playoff game, the Los Angeles Times reported:

Red Wings 5, Ducks 3 Detroit came back from a two-goal deficit in Anaheim to take a 3-0 lead in its series.

The Ducks face elimination Thursday even though they took the Red Wings to overtime in Game 1 and to triple-overtime in Game 2, and the score was tied, 3-3, entering the third period Tuesday.

It was a tie game going the wrong way, though. The Ducks twice had two-goal leads, but Detroit caught them, and there was to be no third overtime game in a row.

Early in the third, the Red Wings jumped on a loose puck in the neutral zone and defenseman Larry Murphy sent Sergei Fedorov in on a breakaway.

Fedorov beat goalie Mikhail Shtalenkov for a 4-3 lead 3:34 into the final period. Only 24 seconds later, it was all but over after Vyacheslav Kozlov scored on another breakaway. It was the second goal of the game and fourth of the postseason for Kozlov.

The Ducks were up, 3-1, after Ted Drury scored 5:12 into the second period when a pass by Detroit defenseman Aaron Ward went off Warren Rychel's skate and Drury dashed to the net.

But Detroit got back in the game with a power-play goal. Igor Larionov scored when he deflected a shot by Kozlov that had hit the Ducks' J.J. Daigneault.

Champion Crowned For Doing Nothing

Reuters

Manchester United clinched the English Premier League title without kicking a ball. It encapsulated this season's race for the title.

United won the league Tuesday night when Liverpool lost 2-1 at Wimbledon and Newcastle drew 0-0 at West Ham on a cold night in London.

The results meant neither team could catch United, which has 71 points. In a season in which all the top teams have shown flaws and all have faltered under pressure, it was appropriate that on the decisive night the title should be lost rather than won.

SOCCER ROUNDUP

Last season, United won the title with 82 points and was pushed to the last game by Newcastle. This year, United needed just 71 points.

Liverpool, Newcastle and Arsenal have all topped the table, but they stuttered and allowed United to pull clear. With a fourth title in five years in its grasp United in turn stumbled. It could only draw at Leicester on Saturday and at home to Middlesbrough on Monday.

"It sticks in the throat that United have won it again and not us," said Roy Evans, the Liverpool manager.

United lost 5-0 and 6-3 in successive games at Newcastle and Southampton in October, but it had the best record in matches involving the top teams. It beat Liverpool and Arsenal home and away.

Neither Alex Ferguson, the United manager, nor Martin Edwards, the chairman, could bear to watch the television or listen to the radio on Tuesday. Edwards played tennis, while Ferguson went to the gym.

"I never watch games on television, and I didn't watch last night," Ferguson said. "Why put yourself through all that torture?"

LIBERTADORES CUP Argentine striker Alberto Acosta scored all four goals Tuesday as Chile's Universidad Catolica beat Oriente Petrolero of Bolivia 4-0 in a Libertadores Cup first-leg match.

The stocky forward began his demolition of the Bolivians when he blasted his team ahead in the 11th minute. He scored with headers in the 70th and 78th minutes and scored his fourth two minutes from the end, dribbling past a defender before shooting home.

In a second-leg match, Gremio of Brazil, champion in 1983 and 1995, scraped through against the little-known Paraguayan team Guarany after a penalty shoot-out in which only three of the 10 attempts were converted.

The hard-tackling Brazilians, who seem incapable of getting through an Libertadores game with all their players on the field, had defender Luciano dismissed in the 25th minute.

Luciano had come in for Paraguayan international Catalino Rivarola, suspended after being sent off in the first leg which Guarany won 2-1.

Hugo Oceval appeared to have given Guarany an unlikely victory when he scored in the 85th minute to wipe out Paulo Nunes's earlier effort for Gremio, but Rodrigo Gral struck for Gremio a minute later to level the aggregate score. Gremio then won 2-1 on penalties.

Colombia, which has been represented in the last two finals, was left without a team after Millonarios lost 3-2 on penalties in Uruguay to Penarol.

Penarol canceled out the Colombians' 2-0 first-leg win with a 3-1 victory in a bad-tempered game. With no extra-time or away goals rule used to settle ties, the match then went to penalties.

■ Woman Can't Play With Men

A Canadian has been banned from playing soccer on a New Zealand university team because she is a woman, The Associated Press reported.

Megan McKenna was told by FIFA, soccer's international governing body, that she was not allowed to play on the Massey University Staff team. McKenna's team is taking the issue to the New Zealand Human Rights Commission.

McKenna, a postdoctoral fellow in the university's geography department, played top-level women's soccer in Canada and was a member of that country's road cycling team.

"I have a bit of compassion for the guy who's marking me," McKenna said. "But I'm not going to give anything away to them, so why should they?"

FIFA made its ruling following a letter of protest by Glenda Mills, chairwoman of the Marist club, after the Massey Staff team beat Marist last month in a local men's league match.

"Having a woman in a team is a disadvantage to the opposition," Mills said. "Who is going to tackle a woman hard? If a woman is allowed to play in a men's grade, then surely a man should be able to play in the women's grade."

In Italian Open, Huber Falls to 79th-Ranked Player

Michael Probst/The Associated Press

Boris Becker hitting a volley in his match against Nicolas Kiefer.

Compiled by Our Staff From Dispatches

ROME — Francesca Lubiani of Italy registered the first major upset of the Italian Open on Wednesday, beating the fourth-seeded Anke Huber in straight sets in the second round.

Lubiani, a wild-card entry ranked 79th by the WTA, needed just over an hour to get past the German, 6-2, 6-4, in the clay-court event.

Huber — who received a first-round bye along with the other top eight seeded players — also lost her first match last week at Hamburg, another event played on the slow surface.

Another seeded player fell when Patty Schnyder of Switzerland beat 16th-seeded Sandrine Testud of France, 7-6 (7-4), 6-0.

"I tried to be aggressive, because if she gets control it's difficult to beat her," said Lubiani, who defeated Denisa Chladkova of the Czech Republic in the first round. "It's the most important win of my career."

A WTA statement said that Huber had suffered a stomachache, headache and nausea that came on during practice. It said she was returning to her home in Austria.

The 1996 Australian Open finalist later pulled out of the doubles tournament, where she was to partner with Monica Seles, citing gastritis.

Iva Majoli, the fifth seed, struggled in her first outing of the week, falling behind in each set against an American qualifier, Nicole Arendt, before winning, 7-6 (7-2), 4-6, 6-3. Majoli turned the encounter around by persistently hitting to Arendt's weak backhand.

The Croatian now plays 14th-seeded Ruxandra Dragomir of Romania, who overcame Els Callens of Belgium, 3-6, 6-2, 6-0.

Elsewhere, 6th-seeded Amanda Coetzer of South Africa got past 15-year-old Anna Kournikova of Russia, 6-2, 4-6, 6-1. Elena Likhovtseva of Russia, the 12th seed, made it into the third round with a 6-3, 6-3 victory over Larisa Neiland of Latvia. *(AP, Reuters)*

■ Becker Thwarts His Protégé

Boris Becker beat his 19-year-old protégé, Nicolas Kiefer, 7-5, 6-2, to move into the third round of the $2.3-million German Open on Wednesday, The Associated Press reported from Hamburg.

Becker, a three-time Wimbledon champion, heads a new program designed to train young talent in an attempt to secure the future of German tennis.

Kiefer was the first to be taken on Becker's junior team. Winner of the 1995 junior titles at the Australian and U.S. Opens, Kiefer turned pro that year, but has not played a full schedule because he is still in school. He is now ranked No. 101 in the world.

The German future also includes 19-year-old Tommy Haas, who upset fourth-seeded Carlos Moya, 6-4, 6-1, in the second round.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Baltimore	20	9	.690	—
New York	17	15	.531	4½
Toronto	15	14	.517	5
Boston	14	16	.467	6½
Detroit	12	19	.387	9

CENTRAL DIVISION

Cleveland	15	14	.517	—
Kansas City	15	14	.517	—
Milwaukee	14	14	.500	½
Minnesota	13	19	.406	3½
Chicago	10	19	.345	5

WEST DIVISION

Seattle	19	12	.613	—
Texas	16	12	.571	1½
Anaheim	14	15	.483	4
Oakland	15	17	.469	4½

NATIONAL LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Atlanta	22	9	.710	—
Florida	17	14	.548	5
Montreal	16	14	.533	5½
New York	15	17	.469	7½
Philadelphia	10	20	.333	11½

CENTRAL DIVISION

Houston	18	14	.563	—
Pittsburgh	16	15	.516	1½
St. Louis	14	17	.452	3½
Cincinnati	10	21	.323	7½
Chicago	8	22	.267	9

WEST DIVISION

Colorado	21	9	.700	—
San Francisco	19	11	.633	2
Los Angeles	17	13	.567	4
San Diego	11	18	.379	9½

TUESDAY'S LINE SCORES

AMERICAN LEAGUE

Texas	000	200	020	—4	9	2
Cleveland	300	020	00x	—5	6	0

Pavlik, Patterson (5), Gunderson (7), X. Hernandez (8) and L.Rodriguez; Hershiser, Plunk (8), Assenmacher (8), M. Jackson (8) and S. Alomar. W—Hershiser, 1-0. L—Pavlik, 2-3. Sv—M. Jackson (3). HRs—Texas, J. Gonzalez (1). Cleveland, J. Franco (2).

Kansas City	000	030	004	—7	11	1
Boston	000	200	000	—2	5	0

Rosado, Pichardo (8) and M. Sweeney; Gordon, Slocumb (9) and Haselman. W—Rosado, 3-0. L—Gordon, 1-4. Sv—Pichardo (5). HR—Boston, Cordero (6).

Minnesota	010	000	100	—2	8	0
New York	120	004	00x	—7	10	0

Aldred, Trombley (6) and Steinbach; D.Wells and Girardi. W—D. Wells, 3-1. L—Aldred, 1-4. HRs—New York, O'Neill (5), Whiten (4), Jeter (3).

Anaheim	003	100	000	—4	8	1
Baltimore	101	000	60x	—8	9	3

C.Finley, P. Harris (7), D. May (8) and Fabregas; Erickson, R.Myers (9) and Webster. W—Erickson, 5-1. L—C. Finley, 0-2. Sv—R. Myers (12). HRs—Baltimore, C. Ripken (7), E. Davis (7).

Detroit	000	100	000	0—1	4	0
Toronto	000	000	100	1—2	11	0

Ju.Thompson, T. Jones (9), M. Myers (10), Micell (10) and B.Johnson; W.Williams, Crabtree (10) and Santiago. W—Crabtree, 2-2. L—T. Jones, 1-2.

Oakland	000	022	200	—4	12	2
Milwaukee	002	020	100	—3	9	2

W.Adams, A. Small (7), Taylor (9) and Mayne, G. Williams (7); McDonald, Florie (6), Vitione (7) and Matheny, Levis (9). W—W. Adams, 2-3. L—Florie, 1-1. Sv—Taylor (7).

Seattle	102	000	040	—7	14	1
Chicago	200	200	100	—5	8	0

D.Martinez, Ayala (7), McCarthy (8), Charlton (9) and D. Wilson; Alvarez, Levine (7), T. Castillo (7), Simas (9) and Karkovice. W—Ayala, 3-1. L—T. Castillo, 2-3. Sv—Charlton (8). HRs—Chicago, Karkovice (3), Belle (5).

NATIONAL LEAGUE

New York	103	204	010	—11	20	3
Colorado	005	420	10x	—12	14	2

Mlicki, Borland (3), Manuel (5), Kashiwada (7), McMichael (8) and Hundley; Swift, Dipoto (6), McCarty (6), DeJean (7), S. Reed (9) and Je.Reed. W—Swift, 4-1. L—Borland, 0-1. Sv—S. Reed (2). HRs—New York, Olerud (5), Hundley (10). Colorado, McYoung (1), Burks (7), Bichette (4).

Pittsburgh	000	120	100	—4	10	0
Florida	000	000	000	—0	4	2

Cooke, Morel (7), Loiselle (9) and Kendall; A.Fernandez, Stanifer (9), F. Heredia (9) and C. Johnson. W—Cooke, 3-3. L—A. Fernandez, 3-4.

Atlanta	000	002	010	—3	4	0
St. Louis	000	000	22x	—4	10	2

Smoltz, Bielecki (8), Embree (8) and J. Lopez; Morris, Petkovsek (8), Fossas (8), T. J.Mathews (8), Eckersley (9) and Lampkin. W—T. J.Mathews, 1-1. L—Bielecki, 1-2. Sv—Eckersley (7). HR—St. Louis, Gant (4).

Philadelphia	014	000	000	—5	9	0
Houston	000	100	00x	—1	9	1

Schilling, Spradlin (8), Bottalico (9) and Lieberthal; R.Garcia, Lima (3), R. Springer (8), Hudek (9) and Eusebio. W—Schilling, 4-3. L—R. Garcia, 2-2.

Chicago 000 000 200—2 5 1
San Diego 001 000 000—1 8 0

Foster, T. Adams (8), Rojas (9) and Servais; Ashby, Bochtler (8) and Flaherty. W—Foster, 3-2. L—Ashby, 2-2. Sv—Rojas (3).

Montreal	000	022	303	—10	12	0
San Francisco	000	010	002	—3	5	1

P.Martinez, D. Veres (8), Telford (9) and Fletcher; Estes, Tavarez (6), R. Rodriguez (7), Roa (8), D. Henry (9) and Wilkins, Berryhill (8). W—P. Martinez, 5-0. L—Estes, 4-2. HRs—Montreal, Strange (2). San Francisco, Kent (7).

Cincinnati	000	110	000	01—3	8	0
Los Angeles	100	000	001	00—2	9	1

Burba, Belinda (7), Shaw (8), Brantley (9), Morgan (11), Remlinger (11) and Oliver; Astacio, Radinsky (8), Dreifort (8), Guthrie (10) and Piazza. W—Brantley, 1-1. L—Guthrie, 1-1. Sv—Remlinger (1). HRs—Cincinnati, E. Perez (1), D. Sanders (2). Los Angeles, Mondesi (7).

Japanese Leagues

CENTRAL LEAGUE

	W	L	T	Pct.	GB
Yakult	17	11	—	.607	—
Hiroshima	14	12	—	.538	2.0
Hanshin	13	14	—	.481	3.5
Chunichi	12	14	—	.481	3.5
Yomiuri	12	15	—	.444	4.5
Yokohama	12	15	—	.444	4.5

WEDNESDAY'S RESULTS

Yakult & Yomiuri 2
Chunichi 2, Hanshin 1
Hiroshima vs. Yokohama rained out.

PACIFIC LEAGUE

	W	L	T	Pct.	GB
Seibu	15	12	—	.556	—
Daiei	14	12	—	.538	0.5
Orix	13	12	—	.520	1.0
Nippon Ham	13	14	—	.481	2.0
Lotte	12	13	1	.480	2.0
Kintetsu	10	14	1	.417	3.5

WEDNESDAY'S RESULTS

Seibu 21, Daiei 0
Nippon Ham 7, Kintetsu 6
Lotte 5, Orix 1

BASKETBALL

NBA Playoffs

SECOND ROUND
(BEST-OF-SEVEN)
TUESDAY'S RESULTS

Atlanta	26	24	28	27— 97
Chicago	19	30	38	23—100

A: Blaylock 11-25 4-5 31, Smith 4-13 10-11 19; C: Jordan 13-25 7-10 34, Pippen 11-24 1-3 29. Rebounds—Atlanta 55 (Blaylock 12), Chicago 49 (Jordan 11). Assists—Atlanta 15 (Laettner 6), Chicago 22 (Jordan 6). Opportunities—D-2 of 5; A-2 of 3. Goalies: D-Vernon 7-2 (23 shots-20 saves). A-Shtalenkov 0-2 (49-44).
(Chicago leads series 1-0)

L.A. Lakers	24	31	30	16—101
Utah	27	32	28	16—103

L.A.: O'Neal 10-25 5-10 25, Scott 7-11 7-7 24, Horry 7-7 0-0 21. Rebounds—Los Angeles 40 (O'Neal 12), Utah 42 (Malone 11). Assists—Los Angeles 24 (Van Exel 12), Utah 26 (Homacek, Stockton 7).
(Utah leads series 2-0)

ICE HOCKEY

CONFERENCE SEMIFINALS
(BEST-OF-7)
TUESDAY'S RESULTS

New Jersey	1	1	0—2
N.Y. Rangers	2	1	0—3

First Period: New York, Gretzky 5 (Robitaille) 2. New York, Tikkanen 4 (Messier, Leetch) 3, N.J.-McKay 1 (Rolston, Niedermayer) Penalties—Samuelsson, NY (holding); Gilmour, NJ (holding stick); Chambers, NJ (high-sticking). Second Period: New York, Tikkanen 5 (Gretzky, Robitaille) (pp). 5. N.J.-Thomas 1 (Elliott) Penalties—Daneyko, NJ (cross-checking); Odelein, NJ (holding); Thomas, NJ (unsportsmanlike conduct); Beukeboom, NY (high-sticking); Messier, NY (holding stick); MacLean, NJ (holding). Third Period: None. Penalties—Gilmour, NJ (roughing); Tikkanen, NY (roughing); Leetch, NY (tripping); Tikkanen, NY (hooking). Shots on goal: N.J.- 10-10-15—35. New York 10-13-3—26. Power-play Opportunities—N.J.- 0 of 4; New York 1 of 5. Goalies: N.J.-Brodeur 5-3 (26 shots-23 saves). New York, Richter 6-2 (35-33).
(New York leads series 2-1)

Detroit	1	2	2—5
Anaheim	2	1	0—3

First Period: A-Kariya 7 (Mironov, Deigneault) (pp). 2. A-Selonne 7 (Kariya, Deigneault) (pp). 3, D-Kozlov 4 (Fedorov) (pp). Penalties—Deigneault, Ana (roughing); Konstantinov, Det (tripping); Vernon, Det, minor-misconduct, served by Murphy (high-sticking); Lidstrom, Det (high-sticking); Mironov, Ana (slashing); Fedorov, Det, minor-misconduct (roughing); Shanahan, Det (roughing); Kariya, Ana (charging); Dallas, Ana (roughing); Ruccchin, Ana, misconduct; Marshall, Ana (roughing). Second Period: A-Drury 1 (Rychel) 5, D-Larionov 1 (Kozlov, Konstantinov) (pp). 6. D-Brown 2 (Sandstrom, Konstantinov) Penalties—Shtalenkov, Ana, served by Trebil (delay of game); Trebil, Ana (interference). Third Period: D-Fedorov 2 (Murphy) 7, D-Kozlov 5 (Fedorov, Konstantinov) Penalties—None. Shots on goal: D- 15-23-11—49. A- 11-6-6—23. Power-play Opportunities—D-2 of 5; A-2 of 3. Goalies: D-Vernon 7-2 (23 shots-20 saves). A-Shtalenkov 0-2 (49-44).
Detroit leads series 3-0

World Championship

MEDAL ROUND
WEDNESDAY, IN HELINSKI
Czech Republic 5, Canada 3
STANDINGS: Czech Republic 6; Russia 5; Sweden 4, Canada 4; U.S. 3; Finland 2.
RELEGATION ROUND
France 4, Norway 3

GOLF

JOHNNIE WALKER RYDER CUP

Standings for the Ryder Cup to be played Sept. 26-28 at Valderrama in Sotogrande, Spain:

UNITED STATES

1. Tom Lehman 856,290; 2. Mark O'Meara 801,250; 3. Tiger Woods 800,000; 4. Phil Mickelson 659,290; 5. Scott Hoch 645,280; 6. Brad Faxon 642,500; 7. Davis Love III 636,000; 8. Steve Jones 579,280; 9. Mark Brooks 549,750; 10. Tommy Tolles 549,280; 11. Paul Stankowski 473,340; 12. Fred Couples 398,040; 13. David Duval 390,000; 14. John Cook 376,000; 15. Kenny Perry 371,250

EUROPE

1. Colin Montgomerie, Scotland 341,947.49
2. Costantino Rocca, Italy 282,867.87
3. Miguel Angel Martin, Spain 270,757.10
4. Thomas Bjorn, Denmark 252,103.80
5. Darren Clarke, N.Ireland 230,638.74
6. Bernhard Langer, Germany 212,430.20
7. Paul Broadhurst, England 202,074.23
8. Per-Ulrik Johansson, Sweden 196,615.30
9. Ian Woosnam, Wales 185,456.06
10. Jose Maria Olazabal, Spain 179,521.08
11. Lee Westwood, England 178,866.49
12. Jean Van de Velde, France 174,268.72
13. Peter Mitchell, England 169,965.53
14. Sam Torrance, Scotland 161,299.24
15. Roger Chapman, England 133,027.00

SOCCER

ENGLISH PREMIER LEAGUE

West Ham 0, Newcastle 0
Wimbledon 2, Liverpool 1
STANDINGS: Manchester United 71; Liverpool 67; Arsenal 65; Newcastle 64; Aston Villa 58; Chelsea 56, Sheffield Wednesday 56; Wimbledon 53; Tottenham 46, Derby 46; Leeds 45; West Ham 42, Everton 42; Blackburn 41, Southampton 41, Leicester 41; Sunderland 40; Coventry 38; Middlesbrough 37; Nottingham Forest 34

COPA BRASIL
SEMIFINAL, 1ST LEG
Flamengo 2, Palmeiras 0

LIBERTADORES CUP
2D ROUND, FIRST LEG
Universidad Catolica 4, Oriente Petrolero 0
Gremio 2, Guarany 1
Penarol 2, Millonarios 1

TENNIS

WTA RANKINGS

1. Martina Hingis, Switzerland, 4960 pts; 2. Steffi Graf, Germany, 4249; 3. Monica Seles, U.S., 3517; 4. Jana Novotna, Czech Republic, 3313; 5. Lindsay Davenport, U.S., 2910; 6. Conchita Martinez, Spain, 2797; 7. Arantxa Sanchez, Spain, 2780; 8. Anke Huber, Germany 2700; 9. Iva Majoli, Croatia 2617; 10. Amanda Coetzer, South Africa 1947; 11. Irina Spirlea, Romania 1872; 12. Karina Habsudova, Slovakia 1843; 13. Mary Joe Fernandez, U.S., 1702; 14. Brenda Schultz, Netherlands 1599; 15. Mary Pierce, France 1537.

ATP RANKINGS

1. Pete Sampras, U.S., 5,118 points; 2. Michael Chang, U.S., 3,704; 3. Thomas Muster, Austria, 3,254; 4. Yevgeny Kafelnikov, Russia, 3,023; 5. Richard Krajicek, Netherlands, 2,885; 6, Goran Ivanisevic, Croatia, 2,710; 7. Marcelo Rios, Chile, 2,340; 8. Thomas Enqvist, Sweden, 2,176; 9, Carlos Moya, Spain, 2,154; 10. Wayne Ferreira, South Africa, 1,935; 11, Alex Corretja, Spain, 1,923; 12, Alberi Costa, Spain, 1,855; 13. Boris Becker, Germany, 1,764; 14, Todd Martin, U.S., 1,673; 15. Felix Mantilla, Spain, 1,637.

TRANSITIONS

BASEBALL
MAJOR LEAGUE BASEBALL
AMERICAN LEAGUE

BOSTON—Assigned RHP Pat Mahomes and LHP Vaughn Eshelman to Pawtucket, IL. Recalled RHP Kerry Lacy from Pawtucket. Put LHP Steve Avery on 15-day disabled list, retroactive to May 3. Activated RHP Tim Wakefield from 15-day disabled list.

CLEVELAND—Activated OF Marquis Grissom from 15-day disabled list. Put RHP Paul Shuey on the 15-day disabled list.

MILWAUKEE—Activated SS Jose Valentin and RHP Mike Fetters from 15-day disabled list. Optioned INF Tim Unroe and RHP Al Reyes to Tucson, PCL. Put LHP Angel Miranda on 15-day disabled list. Activated LHP Jose Adamson from 15-day disabled list.

OAKLAND—Activated C George Williams from 15-day disabled list. Optioned C Izzy Molina to Edmonton, PCL. Recalled RHP Steve Montgomery from Edmonton, PCL. Optioned RHP Richie Lewis to Edmonton.

SEATTLE—Activated RHP Jesias Manzanillo from 15-day disabled list. Optioned RHP Derek Lowe to Tacoma, PCL.

NATIONAL LEAGUE

CHICAGO—Put 3B Kevin Orie on 15-day disabled list, retroactive to April 30. Activated LHP Larry Casian from 15-day disabled list.

CINCINNATI—Designated OF Ruben Sierra for assignment. Announced that RHP Ricky Bones refused assignment to minors and has become a free agent. Activated OF Reggie Sanders from 15-day disabled list. Recalled SS Pokey Reese from Indianapolis, AA.

FLORIDA—Recalled LHP Matt Whisenant from Charlotte, IL.

HOUSTON—Activated INF Ricky Gutierrez from 15-day disabled list. Designated LHP Alvin Morman for assignment.

LOS ANGELES—Put OF Brett Butler on 15-day disabled list. Bought contract of OF Eric Anthony from Albuquerque, PCL.

NEW YORK—Announced LHP Brian Bohanon cleared waivers and accepted assignment to Norfolk, IL.

ST. LOUIS—Put LHP Rick Honeycutt on 15-day disabled list. Bought contract of LHP Tom McGraw from Louisville, AA. Moved 2B Roberto Mejia from 15-day to 60-day disabled list.

SAN DIEGO—Activated OF Steve Finley from 15-day disabled list. Optioned RHP Marc Kroon to Las Vegas, PCL.

BASKETBALL
NATIONAL BASKETBALL ASSOCIATION

BOSTON—Named Rick Pitino coach. Announced resignation of Jan Volk, general manager. Fired K.C. Jones, Dennis Johnson and John Kuester, assistant coaches, Wayne Lebeaux, director of travel and team services and David Zuccora, director of publications and information.

PHILADELPHIA—Named Larry Brown coach.

FOOTBALL
NATIONAL FOOTBALL LEAGUE

GREEN BAY—Announced retirement of DE Sean Jones.

HOCKEY
NATIONAL HOCKEY LEAGUE

HARTFORD—Announced team will move to North Carolina and will be called the Carolina Hurricanes.

PHOENIX—Fired Don Hay, coach, and Paul MacLean, assistant coach.

COLLEGE

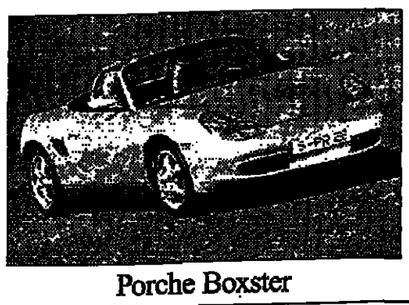
NCAA—Put UCLA's softball program on three years probation, ordered school to forfeit its 1995 NCAA championship and barred them from this years postseason tournament for rules violations concerning institutional control, financial aid and ethical conduct.

TRANS AMERICA ATHLETIC CONFERENCE—Announced Jacksonville University will join the conference, effective July 1, 1998.

KENTUCKY—Announced resignation of Rick Pitino, men's basketball coach.

RHODE ISLAND—Named Jim Harrick mens basketball coach and signed him to 3-year contract.

In this Friday's
Leisure
The Car Column



Porche Boxster

Chicago Overcomes Rust, and Atlanta

Compiled by Our Staff From Dispatches

CHICAGO — Both the Chicago Bulls and the Atlanta Hawks had an excuse for playing poorly in the first game of their second-round playoff series in Chicago.

In the end, the Hawks needed more of an excuse than the Bulls on Tuesday night. Chicago pulled out a victory, 100-97, after Atlanta missed a chance to tie the score at the buzzer when a 3-point shot by Mookie Blaylock hit the front rim and bounced away.

The Hawks had taken an 11-point lead at the half. But in the third period Michael Jordan scored 20 points and the Bulls took the lead. Except for a few moments, they kept it the rest of the way.

The Bulls had had a six-day layoff since their last game, a victory last Wednesday over the Washington Bullets to end their first-round playoff series. The Hawks had just one day to prepare for the Bulls after a rugged series against the Pistons that ended Sunday. So the Bulls were either rested, or rusty. The Hawks either fatigued or in rhythm.

At halftime, it appeared to be advantage, Atlanta, with the Hawks leading by 50-39.

With the game only two minutes old, Dennis Rodman gave Christian Laettner an obvious push and was whistled for a technical foul.

Since Rodman head-butted a referee last season, he has received almost no slack from the officials. And since Rodman is also a physical provocateur, the referees believe they must control Rodman to maintain control of the game.

The Hawks led by 16 early in the third period. But six minutes into the quarter, with the Bulls on a feverish comeback, Rodman and Dikembe Mutombo fell into a discussion of some nature under the Hawks' basket. Mutombo pointed a warning finger at Rodman, who slapped away the long digit from near his nose. The nearby official called Rodman for another technical foul, meaning ejection.

He left with seven rebounds, four in that period alone, and seemed to be getting his legs again as the leading rebounder in the league. How would his departure affect his team?

The Bulls, having started a run with Rodman, continued it without him. Chicago had cut the Hawks' lead with three 3-pointers by Scottie Pippen, a couple of jump shots by Luc Longley and a pair of steals and a few hoops by Jordan. At 2:10, Jordan was fouled and hit both free throws, tying the score at 69-69. It appeared the rust was flaking off, especially from Jordan.

Jordan and Pippen combined for 63 of their team's points, Jordan getting 34 and Pippen 29. Blaylock — who hit five 3-pointers — led the Hawks with 31. Blaylock, the point guard, also led his team in rebounds, with 12.

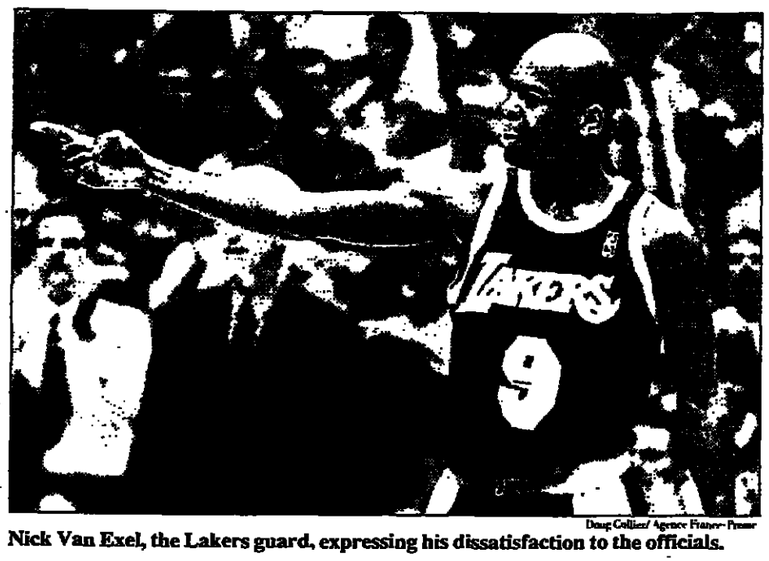
"We were lucky to come away with the win," said Phil Jackson, the Bulls' coach.

Jazz 103, Lakers 101 In Salt Lake City, Antoine Carr made two free throws with 2.1 seconds left to put Utah ahead.

Then, as Nick Van Exel, the Los Angeles guard, prepared for a 3-point shot just before the buzzer, he was sandwiched by John Stockton and Karl Malone, and the ball flew out of his hands.

Van Exel screamed at the official, Jack Nies, for the foul that was not called. TV replays showed Van Exel had been slapped on the arm by Malone. Several Lakers argued. Shaquille O'Neal, who had contributed 25 points and 12 rebounds but missed 15 of 25 shots, started to follow the official off the floor.

It was a crushing ending for the Lakers on a night when Robert Horry scored 21 points and made seven of seven 3-pointers to set an NBA playoff record for most shots from behind the arc without a miss. *(NYT, LAT)*



Doug Collier/Agence France-Presse

Nick Van Exel, the Lakers guard, expressing his dissatisfaction to the officials.

NBA PLAYOFFS

Pitino Returning to His Roots

New Celtics' Coach Faces Major Rebuilding Program

By Selena Roberts
New York Times Service

NEW YORK — There is a search-and-rescue part of Rick Pitino, a slice of his fluorescent personality that seems attracted to crestfallen programs like tourists are drawn to Greek ruins.

It seems intriguing for him to view the shambles of a great, heroic past, and even more exciting to put the pieces of it back together again. Pitino has always been this way, as evidenced by his repairs at Providence College, the New York Knicks and the University of Kentucky.

His work is not done. Pitino has taken the challenge of restoring the shine to the Boston Celtics' famed parquet floor, accepting a 10-year, $70 million deal that makes him the highest-paid coach in sports.

Pitino said Tuesday that Boston seemed the perfect place "to spend the rest of my career." He went to the University of Massachusetts, and first coached at Boston University. So he knows Boston well, each brick street, each quaint restaurant.

Somewhere, Red Auerbach is lighting up a cigar. This is the kind of coach the Celtics believe will lift a suffering franchise, eventually adding to the banner collection that flaps in the Fleet Center rafters and giving the arena that lived-in look of the old Boston Garden.

Pitino has faith he can do this job, too. He did it in Kentucky.

"So why leave?" Pitino asked. "I decided to come to Kentucky for a specific reason: To try and build a program in shambles into a championship-level team. We've accomplished that. If I didn't take on this new opportunity, I would look back."

It took a week to come to this epiphany. Pitino said his anguished thought process — which crystallized into an answer Monday night — had nothing to do with the money. But the $70 million Pitino will receive far surpasses the 10-year contract the Miami Heat gave Pat Riley two years ago.

That deal, worth about $40 million, included $15 million over five years for coaching and 10 percent of the team.

Pitino said he was not given any ownership of the Celtics. Still, his deal overshadows the $25 million, five-year deal that Larry Brown signed to coach the Philadelphia 76ers on Monday. In addition, Pitino's average annual salary of $7 million is far higher than those of the highest-paid coaches in other sports.

Pitino said he wanted to work with Larry Bird in the Celtics' front office, but understood that the Indiana Pacers had offered the Celtic legend a big salary to come back to his home state and coach.

[The Pacers confirmed Wednesday that they had offered Larry Bird their head coaching job, but did not say whether Bird had accepted, The Associated Press reported from Boston.]

[The Eagle-Tribune of Lawrence, Indiana, which did not cite its source, said Bird would sign a contract with Indiana on Friday worth about $4 million a year.]

Auerbach will remain the Celtics' president, and it is unclear what title Pitino will have. Regardless, Pitino will have great control. Pitino said he would discuss the details of his Celtics' position further at a news conference in Boston on Thursday.

BUT FOR one last day, he was still the Kentucky coach, with a 218-50 record, and three Final Four appearances. He was still the leader of the Wildcats that won a national championship in 1996, and the architect of a scrappy team that lost the title game one month ago.

For one last time, he sat before a microphone in a room at Memorial Coliseum. He was wearing a Wildcat-blue dress shirt with a white collar. Behind him, there was a blue curtain.

Somehow, this hyper figure with the slicked-back hair and New York accent had blended into this world just fine. Who can follow this act? The university's athletic director, C.M. Newton, will formulate a group of candidates.

Pitino was adored in the state of Kentucky. He could not go to a McDonald's restaurant without creating a jumbo-sized fuss, nor dart into a gas station without getting stopped at the pump. In a state without a pro sports identity, Pitino was the superstar.

Yet he and his wife, Joanne, seemed bound to return East. Many offers — at least 13 in eight years, including one worth $25 million from the New Jersey Nets last year — went by until this one.

Pitino grew up as a young adult with the Celtic tradition, and followed the players who turned into legends. But after some tragic turns, and wrong moves, the magic has faded in Boston. This is Pitino's great restoration project. He will not start completely from scratch. The Celtics — just 15-67 this year — will have an excellent shot at landing the No. 1 draft pick and another lottery selection, thanks to a deal with Dallas.

"I believe it will be turned around," Pitino said. "It'll take a lot of hard work but it won't be any different than Kentucky, the Knicks or Providence. Same formula."

But this is not the same National Basketball Association in which he coached 10 years ago. Pitino said he recognized that the players were now the show in the league, and that he would have to tweak his style accordingly.

At the same time, the players will know — if only by glancing at his salary — that he is in charge of raising Boston from the ruins.

"Bob Cousy made a statement on the air, saying he didn't think he would see another Celtic championship in his lifetime," Pitino said. "I do believe, from the bottom of my heart, Bob Cousy will see another championship."

Hitters' Heaven in Colorado

Mets' Barrage Falls a Run Short of the Rockies'

By Buster Olney
New York Times Service

DENVER — Coors Field is baseball's shrine to offensive baseball.

On Tuesday, the New York Mets and the Colorado Rockies hitters honored their gods. Their sacrificial offering: pitchers. Sinker-ballers, sidearmers and hard-throwers were all done in by the unfettering air and massive expanse of Coors Field.

The Mets compiled 20 hits — and lost to the Rockies, 12-11, though they came within inches of taking the lead in the top of the ninth inning.

"In this park, you never know," said the Mets catcher, Todd Hundley, who had two homers. "It's like a college game, using aluminum bats."

The primary effect of Coors Field on Tuesday was not in producing home runs, but in creating gaps and spaces for singles and doubles. To compensate for the thin air, architects designed the park with huge dimensions. To protect themselves as much as possible against extra-base hits, outfielders must play deeper.

So hits fell repeatedly just in front of the outfielders. The Mets had 20 hits, and 16 were singles.

In other games, The Associated Press reported:

Cardinals 4, Braves 3 St. Louis needed someone to make a big play if they were ever going to beat Atlanta again. Ron Gant obliged.

His two-run homer in the eighth inning gave St. Louis its first victory at home over the Braves in nine games.

Released by the Braves in spring training 1994 after he broke his leg in the winter, Gant had four homers against the Braves in 1996 and two more in the National League Championship Series.

"A lot of times against these guys I get a little extra adrenaline," he said. "When I see that uniform, I get a tendency to want to beat them."

Pirates 4, Marlins 0 Steve Cooke combined with two relievers on a four-hitter as Pittsburgh ended Florida's eight-game home winning streak.

The win was Pittsburgh's first over Florida's manager, Jim Leyland, who managed the Pirates for 11 years before accepting the Marlins job on Oct. 4.

Phillies 5, Astros 1 In Houston, Curt Schilling scattered seven hits in seven strong innings as Philadelphia stopped a three-game losing streak.

Schilling struck out seven, increasing his league-leading strikeout total to 56, and walked two.

Cubs 2, Padres 1 In San Diego, Dave Hansen hit a two-run single in the seventh, and Kevin Foster won for the first time in seven starts against San Diego. Chicago's second victory in six games handed the Padres their 13th loss in 16 games.

Expos 10, Giants 3 In San Francisco, Pedro Martinez pitched seven innings of two-hit ball and matched his season-high with 10 strikeouts.

Martinez (5-0) didn't allow a hit until the fifth inning. He gave up just his second earned run in 36⅓ innings this season, and his major league-leading earned run average rose slightly to 0.50, from 0.31.

Reds 3, Dodgers 2; 11 innings Eduardo Perez's pinch-hit homer with one out in the 11th lifted Cincinnati to victory in Los Angeles. It was just the 10th Reds' victory this season.

The Reds reliever Mike Remlinger worked out of a one-out, bases-loaded jam in the bottom of the 11th for his first save.

Cary Conkop/Reuters

Larry Walker slapping a single in the fourth inning.

NL ROUNDUP

Ripken Grand Slam Halts Angels

The Associated Press

Cal Ripken hit his sixth career grand slam as the Baltimore Orioles beat the Anaheim Angels, 8-4.

Baltimore rallied Tuesday from a 4-2 deficit at home with a six-run sixth, capped by Ripken's homer.

"I've never been that type of person, like Eddie Murray, who would say, 'I'll take the team on my back,' " Ripken said. "You only get four at-bats a game."

Eric Davis went 4-for-4 with a homer and Scott Erickson (5-1) allowed eight hits in eight-plus innings, improving to 13-2 against the Angels.

The Orioles were 24-25 against left-handed starters last season and 7-3 this season. Davis is batting .388 with 19 runs batted in and Ripken is at .316 with a team-high 28 RBIs.

Chuck Finley (0-2) gave up seven runs — six earned — and eight hits in 6⅔ innings. Randy Myers got three outs for his 12th save.

Afterward, there was an altercation in the Angels' shower room, but reporters were ushered away before it became apparent who was involved. "Heat of the battle, that's a good way to put it," said Terry Collins, the Anaheim manager. "Frustration in a game that was well-pitched. Guys are frustrated."

Mariners 7, White Sox 6 Rich Amaral hit a go-ahead, two-run single off Tony Castillo in a four-run eighth as visiting Seattle rallied from a 6-3 deficit. Albert Belle hit a two-run homer in the first, and Ron Karkovice hit a solo shot leading off the fourth for the White Sox.

Bobby Ayala pitched one inning of hitless relief, and Norm Charlton got three outs for his eighth save in 10 chances, ending the game by throwing a called third strike past Belle.

Indians 5, Rangers 4 Julio Franco hit a three-run homer in the first inning at Jacobs Field, and Orel Hershiser allowed two runs and seven hits in seven innings, getting 15 outs on ground balls.

Royals 7, Red Sox 2 Jose Offerman and Jay Bell singled in runs in a three-run fifth inning as Kansas City won for the 15th time in its last 19 games at Fenway Park. Kansas City, which led 3-2 before a four-run ninth, moved over .500 for only the second time this season and sent the Red Sox to their fourth consecutive loss.

Yankees 7, Twins 2 At Yankee Stadium, David Wells scattered eight hits and Paul O'Neill, Derek Jeter and Mark Whiten all homered for New York.

Blue Jays 2, Tigers 1 Joe Carter drew a bases-loaded walk from reliever Dan Miceli with two outs in the 10th in Toronto. Robert Perez went 3-for-3 as the Blue Jays won their fourth straight.

Athletics 6, Brewers 5 Geronimo Berroa's two-run single in the seventh inning broke a 4-4 tie in Milwaukee. Billy Taylor allowed the tying run to get to second in the ninth, but held on for his seventh save.

AL ROUNDUP

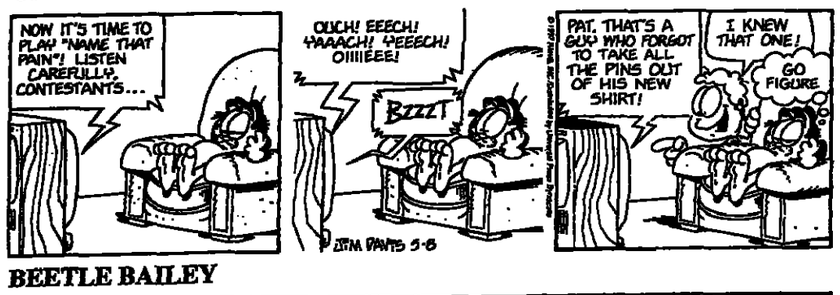
DENNIS THE MENACE

"IT'S YOUR SON, MR. MITCHELL. HE HOPES YOU'RE SITTING DOWN BECAUSE HE WANTS TO TELL YOU SOMETHING."

PEANUTS

CALVIN AND HOBBES

GARFIELD



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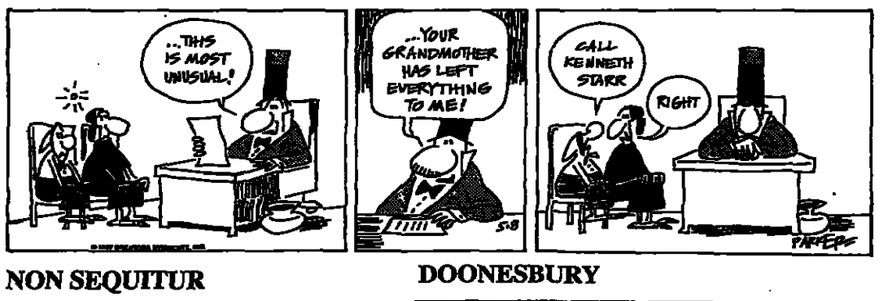

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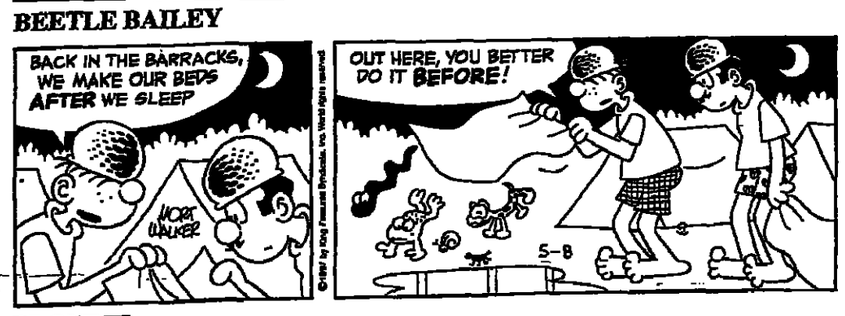

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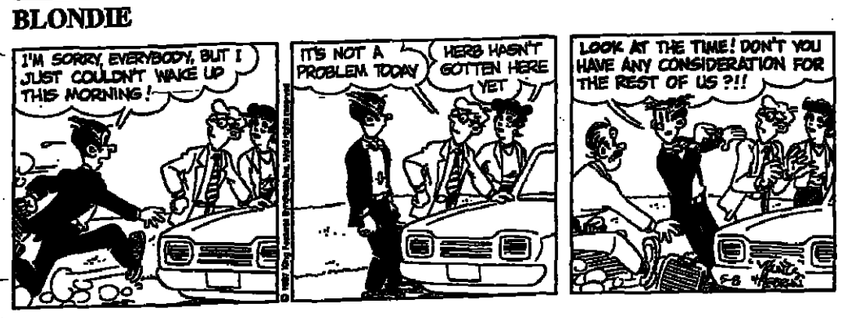

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ART BUCHWALD

Give Mom a Break

WASHINGTON — Let us sing every mother's praises — even the ones who gave birth to people we don't like.

What makes mothers different from other people is that no one truly understands them. In most situations, except for this holiday, they are taken for granted.

Buchwald

It was this way with Meredith Growndall, mother of two.

As Meredith told me the story — she decided to go to bed at 9 o'clock at night. There was no particular reason for it except that she wanted to read a book.

At 9:05 her daughter Sophie came up and said, "What's wrong Mom?"

"Nothing dear. I just decided to go to bed early and read."

"Do you want me to call the doctor?" Sophie asked.

"No, I don't want you to call the doctor. Just shut the door and let me read."

□

Ten minutes late her second daughter, Connie, came up with a tray.

"I made you some split pea soup."

Meredith said, "I don't really feel like soup right now."

"You always make pea soup for us when we don't feel well. It's only fair that we make it for you."

Meredith said thank you and went back to her book.

Connie said, "Mom, do you want to talk about it?"

"Talk about what?"

"Are you and Dad having problems?"

"No more than usual. Why do you ask?"

"Parents never want their children to know what's going on. If you would just talk about it, it would ease the pain."

"Would you mind if I just read my book?"

□

Connie left. The next visitor was Walter, her husband. He said, "I've got a great idea. Let's go to Bermuda."

"Why do we want to go to Bermuda?"

"The change will do us both good. You'll start feeling better as soon as you walk on the beach. It will be as if today never happened."

"Walter, I don't want to go anywhere. I just want to go to bed early and read. It's that simple."

Walter persisted. "Nobody except children go to bed at 9 o'clock at night. Maybe you ought to join a health club."

Meredith said, "Walter, you see that lamp over there? If you don't shut up I'll throw it at you."

Their two daughters opened the bedroom door softly and one said to their father, "Is she going to be all right, Dad?"

Walter said, "I think so. Maybe she'll feel differently after a good night's sleep."

The Royals Are a Hit

Agence France-Presse

LONDON — The official British royal Web site has been "hit" 12.5 million times in its first two months on the Internet, Buckingham Palace announced, which compares to 2.5 million hits a month on The Spice Girls' site. The royal site contains history, profiles and speeches, and is illustrated by pictures from the royal collection.

Playing Politics With Classical Music in Turkey

By Stephen Kinzer
New York Times Service

Stasos R. Winter for The New York Times
Hikmet Simsek conducting a performance of Ahmed Adnan Saygun's "Yunus Emre" oratorio.

ANKARA — When the revered Turkish maestro Hikmet Simsek lifted his baton to conduct Ahmed Adnan Saygun's oratorio "Yunus Emre" at the Turkish State Opera House here recently, he was making a political as well as a musical statement.

Light, liquid violin passages swelled in symphonic crescendos; the chorus sang at times softly and then with vigorous passion, and delicate, complex flute solos introduced the various movements. But when the spectators applauded, many were cheering more than a fine performance.

"Yunus Emre" is often considered the finest piece of music composed in Turkey since the founding of the republic 74 years ago. Although it is more than half a century old, it has suddenly become timely, because its message is one of religious tolerance and nonsectarianism.

Classical music, often thought of as quintessentially apolitical, has taken on an unusual role here. As this performance showed, it has become a symbol for those who want Turkey to maintain its identification with the West rather than reorient itself toward a less pluralistic and more religiously based way of life.

Turkey is immersed in a profound social and political conflict between secularists, who have been in power since the republic was founded, and an insurgent Islamic-based movement that seeks to increase the role of religion in public life.

The country's leading Islamist politician, Necmettin Erbakan, has been the prime minister since last June, and secularists fear that he is leading the country toward a form of fundamentalism.

The Ankara opera had not planned to perform "Yunus Emre" this year, but as threats to secularism seemed to grow, it hastily added the work to the repertory. It is being performed again this week and possibly several times next season. "The artists wanted to do it," said one member of the orchestra. "It has a great message for this time."

The oratorio is based on the writings of Yunus Emre, a mystic poet who lived in Anatolia from about 1238 to about 1320. He was a member of the Sufi order of Muslims, which scorns religious hierarchy and stresses direct human contact with the infinite.

Emre's poems assert that divinity is to be found within each individual's soul rather than in temples.

"We see all of mankind as one," Emre wrote, warning that "whoever does not look with the same eye upon all nations is a rebel against truth." In what could be taken as a rebuke to modern fundamentalism, he maintained that "God's truth is lost on men of orthodoxy." One of his famous couplets asserts:

God's truth is an ocean, and dogma is a ship.
Most people don't leave the ship to plunge into that sea.

Six hundred years after Emre's death, his poems attracted the attention of Saygun, the conductor who was to become a titan of modern Turkish music. Saygun had traveled across Anatolia with the Hungarian composer Bela Bartok in search of folk melodies and was fascinated by the survival of Emre's poetry. In 1946 he completed the oratorio, which has proved the most enduring of his more than 90 works.

"Yunus Emre" had its American premiere at the United Nations in 1958, with Leopold Stokowski conducting the Symphony of the Air and a chorus of 200. Since then it has been performed in many countries.

Saygun died in 1991, and the role of preserving the oratorio has passed to Simsek, 73, arguably Turkey's most prominent conductor. By his own estimate, he has conducted the work more than 100 times here and abroad. He has also made a recording of it, which has been released on compact disc by the Ankara State Opera and Ballet.

The performance of "Yunus Emre" was not the first cultural event in Ankara this season that carried not-so-subtle political overtones. Several weeks ago an ensemble of 450 instrumentalists and singers mounted a performance of Beethoven's Ninth Symphony in a sports arena outside the city. Secularists used it as an occasion to show their support for Western music and, by extension, Western values. The crowd loudly booed the minister of culture, Ismail Kahraman, who is perceived as unfriendly toward Western culture, and cheered wildly for President Suleyman Demirel, a militant secularist. Later Demirel, visibly moved, came to the stage to thank the musicians and the audience.

"This magnificent picture is the picture of contemporary Turkey," Demirel told the crowd. It responded by loudly chanting, "Turkey is secular and will remain so."

That tumultuous evening, followed by the performance of "Yunus Emre," reflected the role classical music has assumed in the cultural confrontation now sweeping across Turkey. "No other Islamic country in the world has a state-sponsored network for the performance of Western classical music and dance," said Huseyin Akbulut, the director of the Ankara State Opera and Ballet. "We are in a way the border of this tradition. In the same way, we are the border of democracy. For us, Western art and culture go hand in hand with a pluralist political system. If we lose one, we are afraid that we might lose the other."

Eric Gaillard/Reuters
The French actress Isabelle Adjani, who is president of the jury for the Cannes film festival's 50th anniversary, attending a news conference Wednesday.

PEOPLE

ORGANIZERS of the Cannes International Film Festival said Wednesday that "The Delicious Taste of Cherries," a film by the Iranian director **Abbas Kiarostami,** will be presented in competition for the festival's top prize, the Palme d'Or after all. Kiarostami was expected to arrive in Cannes before the weekend. Speaking on French radio two weeks ago, Kiarostami said an Iranian deputy culture minister had told him that his latest film would not be allowed at Cannes but should first be shown at the annual Tehran festival in February to mark the victory of the Islamic revolution in Iran. . . . French film stars **Jean-Paul Belmondo** and **Alain Delon** are indignant that they were not invited to the Cannes festival's 50th anniversary edition. "The festival is turning 50, *Jean-Paul and my careers are 40,*" Delon said in a joint interview with Belmondo in Paris Match magazine. "It is a denial of who we are and of what we have represented over the last four decades," Delon, 61, said. "There is something wrong about celebrating the history of world cinema and of the French cinema and inviting **Pamela Anderson,** for example, but not Jean-Paul Belmondo," he added.

□

At the age of 81, **Saul Bellow** is embarking on his third job as editor of a literary magazine. Published this month, the magazine is called News From the Republic of Letters, and the co-editor is Bellow's old friend and collaborator, **Keith Botsford.** The first issue has an excerpt from an unpublished Bellow novel called "View From Intensive Care" and excerpts from the works of other authors, including **Emilio Lascano Tegui,** an Argentine making his first appearance in English, the Israeli writer **John Auerbach** and the late Italian writer **Arturo Loria.** The Republic of Letters also plans to publish books, beginning with "The Collected Stories of Philip O'Connor" next winter. Bellow is unsure when the magazine's next issue will appear. "We're hoping to get a quarterly out of it," he said.

□

Music by **John Lennon, Paul McCartney** and **Frank Zappa** will be featured alongside **Brahms** and **Chopin** in this summer's Promenade concerts in London. Traditionally dominated by classical music, the Proms in July will include the **King's Singers** performing new arrangements of four songs that were written by Lennon and McCartney during **The Beatles'** heyday.

□

A concert in Northern Ireland starring **Dame Kiri Te Kanawa** and attended by **Prince Charles** went ahead despite a security alert, the police said. A van was stopped by the police near the new Waterfront Hall in Belfast and the driver jumped out and shouted a bomb warning. Streets were cleared by the police and the army, and the vehicle was blown up by bomb disposal experts after a short interval. The police later said the alert was a hoax, but a deliberate attempt to disrupt a concert attended by 2,500, including Irish dignitaries.

□

"How I Learned to Drive," **Paula Vogel's** play about the seduction of a young girl by her uncle, was voted the best new play of the 1996-97 theater season by the New York Drama Critics' Circle. The group also chose "*Violet,*" with music by **Jeanine Tesori** and book and lyrics by **Brian Crawley,** as best musical and "Skylight," by **David Hare,** as best foreign play.

□

Rock star **David Bowie** will give a concert July 1 in Zagreb's Maximir Stadium in the heart of the Croatian capital, the daily Vecernji List reported. Bowie's last concert in Croatia was in 1990, a year before the outbreak of hostilities between the Serbs and Croats.

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MIDDLE EAST	
Egypt●(Cairo)†	510-0200
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